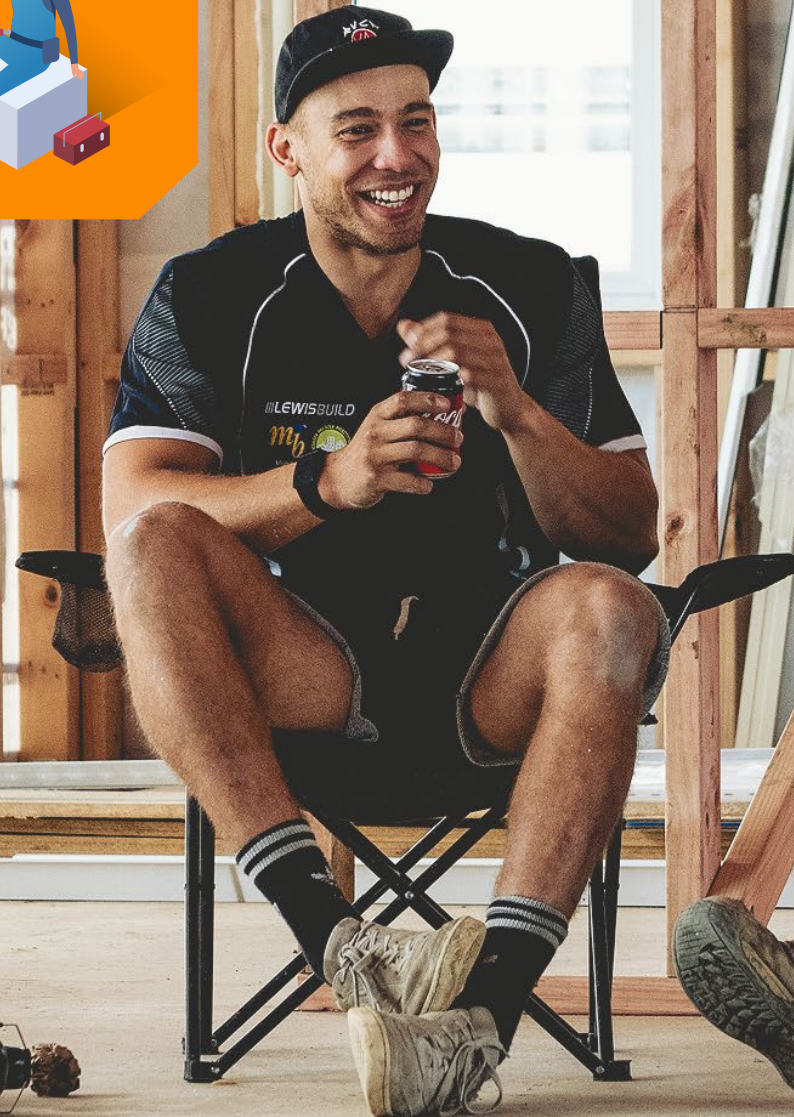


# PULSE REPORT

FEB  
2021



## TRADIFY



[tradifyhq.com](https://tradifyhq.com)



**Goal for 2021?**  
**"Keeping customers happy and staying in control of our forever growing business."**

**ELECTRICIAN, DUNEDIN**



## A quick recap

Our Pulse Report from September 2020 asked hundreds of tradies across New Zealand, Australia, and the United Kingdom how COVID-19 had affected their trade business.

We found there was an even divide between New Zealand tradies – half felt that COVID-19 had little to no impact on their business, the other half said it had a moderate to high impact. We saw a similar split when we looked at the numbers across different industries.

We also found that one-third of New Zealand trade business owners were spending too much time on admin. 33% were spending over 12 hours a week on paperwork – the equivalent of more than a week each month!

### **Moving forward – what will 2021 mean for you and your business?**

This year the Pulse Report has more data than ever and we've focused on how trade businesses are feeling about 2021.

We asked more than 460 tradies from New Zealand, Australia, and the UK whether they believe business conditions will improve in 2021. We also asked what their top priorities are for the next 12 months, how often they feel in control of their business and how much time they spend on different admin tasks like quoting, finding new work, and chasing payments.

**53% of Kiwi tradies have a positive outlook for 2021.**





## Generally, tradies are feeling positive

A little over half of New Zealand trade business owners surveyed have a positive outlook for 2021 and believe business conditions will improve during the year. Tradies are just as busy as they were six months ago and don't see any signs of slowing down.

Tradify user data supports the positive sentiment, showing little to no change in the average number of quotes, jobs, and invoices since our last report.

68% of tradies almost always or often feel in control of their business, and this statistic has barely moved since September. This is positive – it means that despite the ongoing effects of COVID-19, most New Zealand tradies are feeling like they're on top of things.

When asked what they're focused on in 2021, New Zealand tradies mostly said managing staff, finding work and growing their business. With these goals in mind, streamlining job management processes is more important than ever.

**68% of Kiwi tradies almost always, or often, feel in control of their business.**

# New Zealand tradies – how are you feeling?

Most New Zealand tradespeople believe that general business conditions will improve over the year. However, 13% of Kiwi tradies believe things will get worse – more than triple compared to tradies in Australia!

While it's good to see most Kiwi tradies feeling positive about the year ahead, let's not sugar-coat the future: the long-term effects of COVID-19 are still unknown. Some trade businesses are struggling and may continue to feel the pinch.

**13% of Kiwi tradies believe business conditions will get worse this year, compared to just 4% of Aussie tradies.**




## Preparation is key

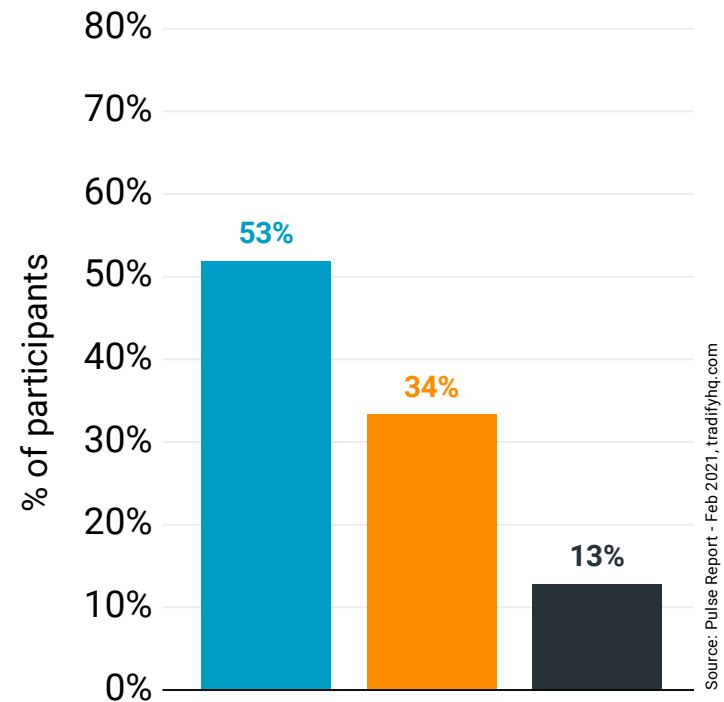
You wouldn't start work on a new job without preparing first. You need to work out what the customer wants, what materials you'll need, how long it'll take, and who you'll need to help out. You'll probably also think about what you'll do if things go wrong, and put a plan in place to deal with certain things if they happen.

The same goes for running a business. Being prepared for the worst is how companies survive tough times. Note down your plan for if things get worse this year, the same as you would when planning a job.

Win as much work as you can, when you can, but be ready to weather the storm if things get tough. Being prepared will help your business thrive – rain, hail or shine.

## In 12 months time, do you think that business conditions will:

 Improve  Stay the same  Get worse



# Industry outlook for 2021

The majority of tradies have a positive outlook for 2021, or at least believe conditions won't get worse. Builders and HVAC specialists feel especially positive. Most landscapers, however, believe things will stay the same. While many tradies feel optimistic, there are certainly groups that aren't so sure.

Roofers have the least positive outlook for 2021; only 25% believe business conditions will improve this year.

## Younger businesses are more optimistic

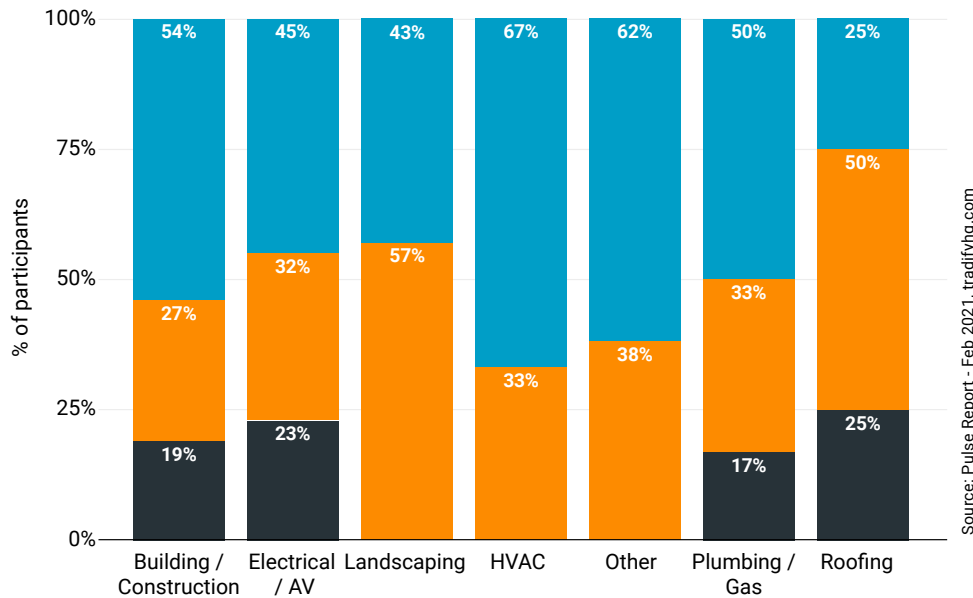
Trade businesses less than a year old have the most optimistic outlook – 64% think things will improve over the next 12 months. From there, the data shows a steady decline in positivity, with businesses over 10 years old mostly thinking things will stay the same.

Almost 20% of under 1-year-old and 10+-year-old businesses think conditions will get worse in 2021.

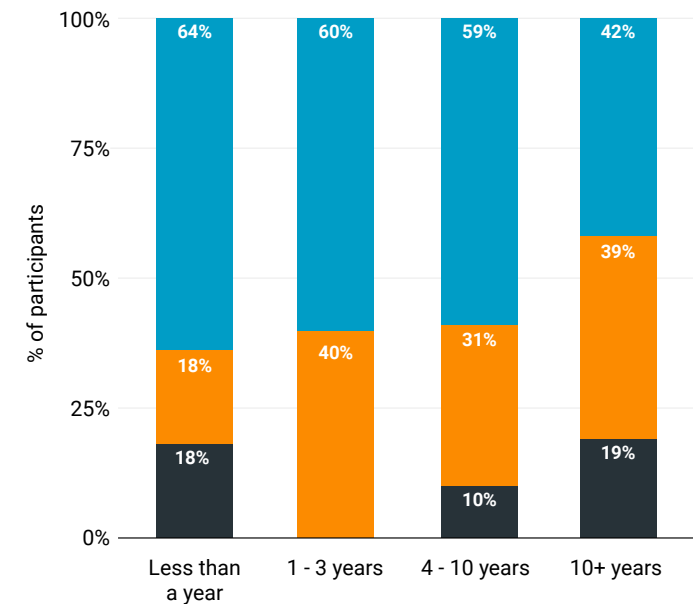
In 12 months time, do you think that business conditions will:

Improve Stay the same Get worse

### INDUSTRY



### AGE OF BUSINESS



## Top priorities for trade businesses in 2021

When we spoke with New Zealand tradies last year, the perceived impact of COVID-19 on their business was much lower than in Australia or the United Kingdom. They experienced a short and aggressive lockdown and while it resulted in a sharp decline in tradie activity, it was temporary. Most Kiwi tradies were able to bounce back relatively quickly.

Even though they had the least amount of disruption to their work schedules last year, they seem to be even more cautiously optimistic than Aussie tradies when it comes to their view of the future.

When we asked about top priorities for 2021, many said they're focused on things like managing staff better, finding new work, and growing their business.

### Goal for 2021?

**"Hiring more staff to keep up with work."**

CONSTRUCTION MANAGER, HAMILTON

In the wake of COVID-19, most tradies are convinced that this year will require some hard work, but that doesn't mean growing or expanding your business gets put on the backburner.

The word cloud below displays the most common words found in our written survey responses. The bigger the word, the more often it was mentioned by participants.



## Trade business owners feel in control, but admin time is still too high

In our September 2020 Pulse Report survey, we asked tradies how often they feel in control of their business. We asked the same thing this year and there's been very little shift in the last six months. This is good news, as most trade businesses continue to almost always, or often, feel in control.

On the other hand, there's still a third of Kiwi tradies who only sometimes, seldom, or never feel they're in control.

We found in the last Pulse Report that according to trade business owners, 'people stuff' and admin tasks seem to be the worst parts of the job. Ironically, when asked "What makes a great trade business?" New Zealand owners said it is one that turns a profit and operates efficiently with happy staff.

For trade business owners wanting to get more control and ultimately grow their business, reducing admin time is the answer. If you're burning the midnight oil every week catching up on paperwork, you're spending less time on the tools or doing more important things like spending time with family...or fishing.

### Goal for 2021?

**"Steady supply of work but with a good work/life balance."**

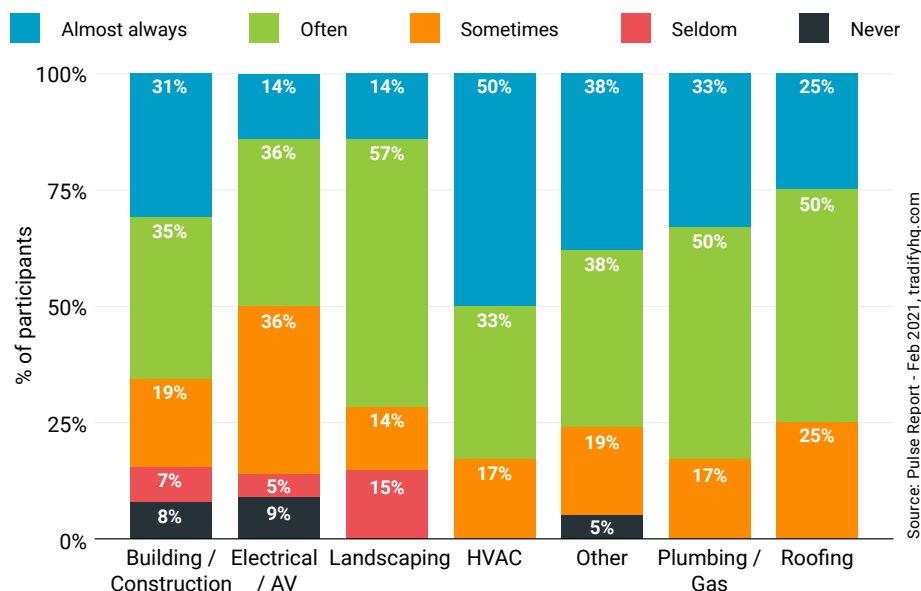
ELECTRICIAN, AUCKLAND



# Business confidence by industry

The majority of tradies in the HVAC business feel in control. We found that plumbers experienced a tough time last year but they seem to have found a way to get their admin under control this time around. Electricians, construction workers and landscapers feel the least in control.

## How often do you feel in control of your business?



## Goal for 2021?

**"My focus for this year is making sure there is enough work by sending out timely quotes."**

**BUILDER, WELLINGTON**

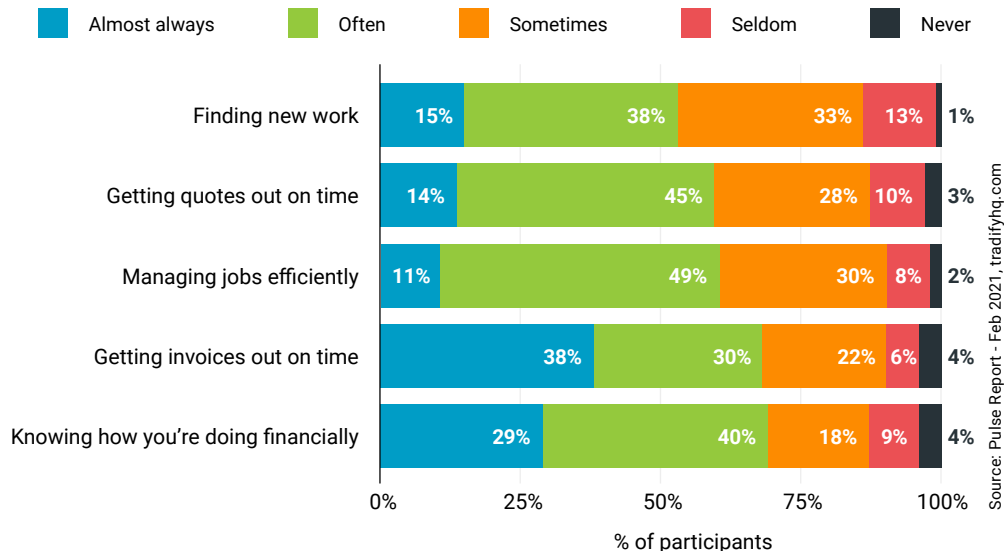
## Confident getting invoices out, less control over finding new work

Tradies feel most in control of how they're doing financially, especially getting those invoices out. This is good news as the quicker you invoice, the faster you get paid – and the less likely you are to run into cash flow issues.

Getting quotes out quickly, however, seems to be a headache for New Zealand tradies and there's a lack of confidence around finding new work.

It's the perfect storm – the quicker you quote, the higher your work win-rate is likely to be. More jobs can increase your cash flow, which will give you the resources you need to grow your business by hiring staff.

## How often do you feel in control of the following?





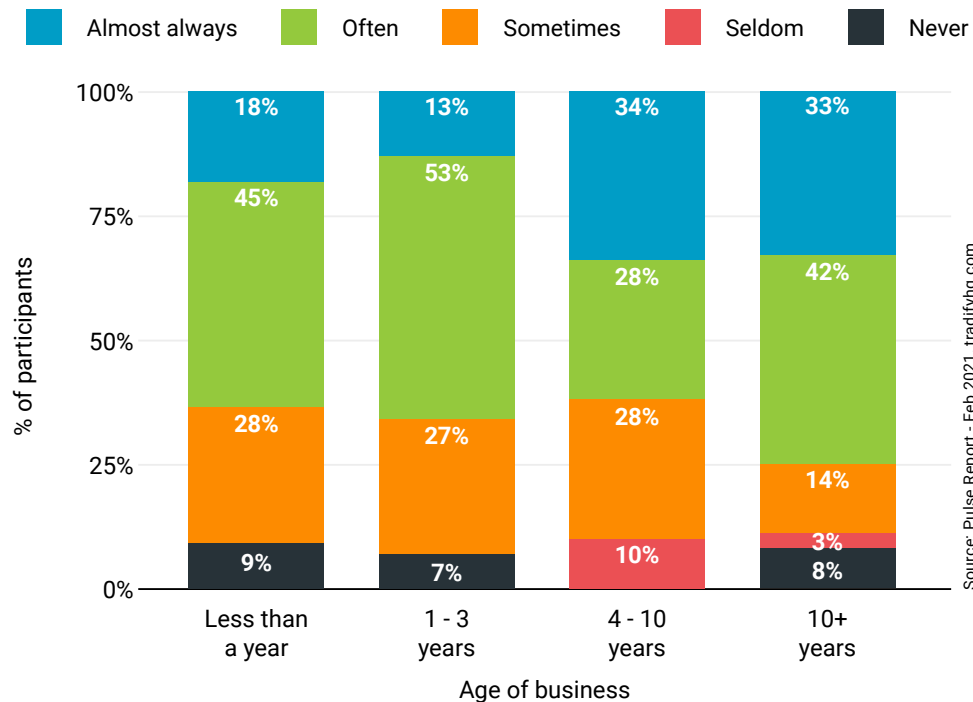
# The admin vs control sweet spot

Established businesses seem to have a greater feeling of control, even though they spend a similar amount of time on admin to others. However, we had slightly fewer younger businesses report that they seldom/never felt in control of their businesses. Maybe they just haven't played the game long enough?

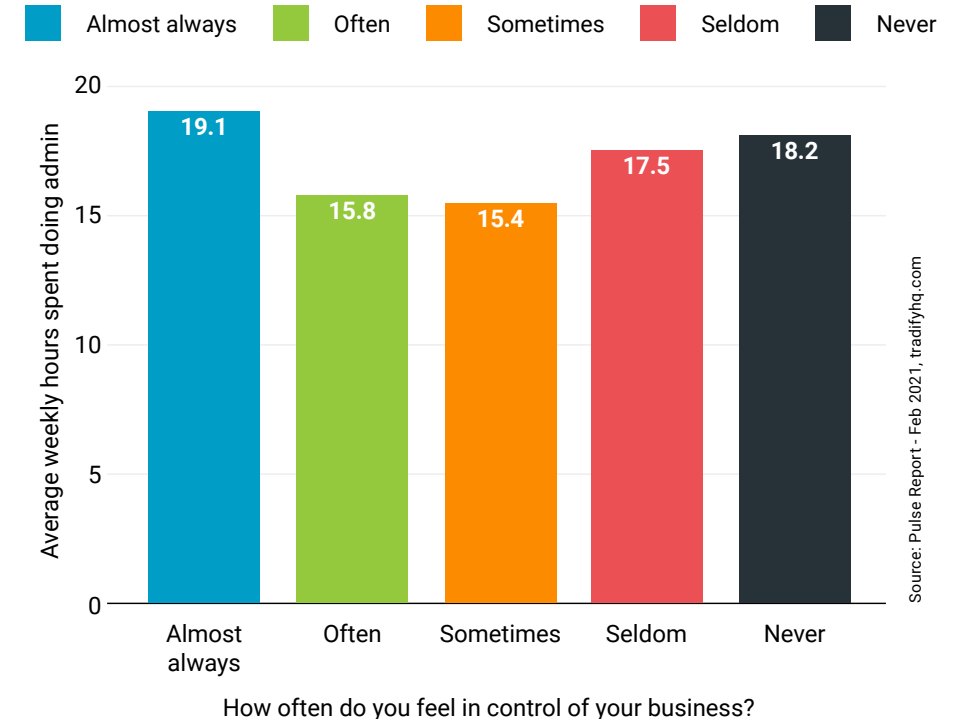
In any case, New Zealand tradies seem to spend a significant amount of time on admin regardless of how 'in control' they feel.

Most Kiwi trade business owners are spending 15-20 hours a week on admin tasks. That's up to 80 hours a month!

## How often do you feel in control of your trade business?



## Sense of business control vs average weekly time on admin



### Goal for 2021?

"Work fewer hours but get a similar income and keep control of my workload."

PLUMBER, WELLINGTON

# How many hours do tradies spend on admin?

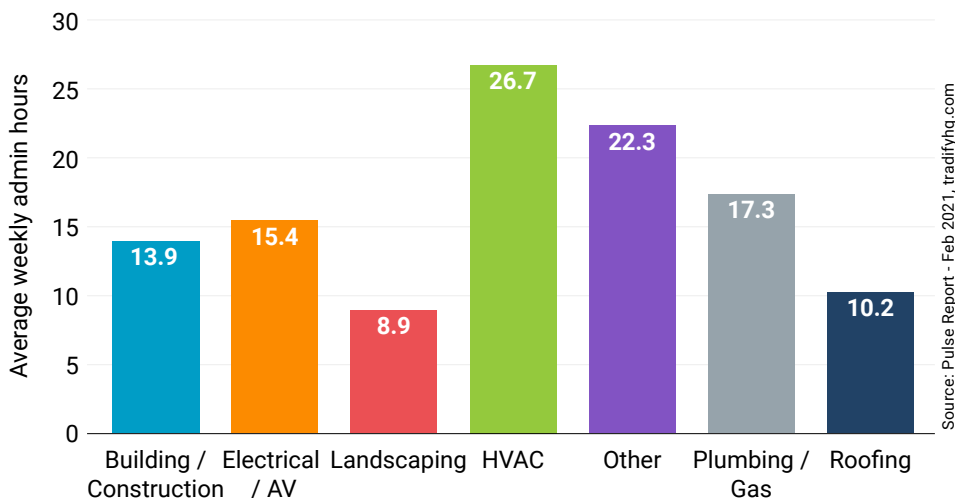
**Kiwi tradies spend an average of 16.9 hours per week on admin tasks.**

That's almost half a normal work week! It's no wonder we hear about so many owner/operators working late nights and struggling to fit in time on the tools.

## By industry

HVAC and roofing trade businesses spend the most time per week on their admin – an average of 26.7 hours. On top of their time on the job, they're spending the equivalent of another part-time job on admin. It's not surprising that for HVAC businesses, "becoming more efficient and profitable" is at the top of the goal list this year.

## Average admin hours vs industry



## By admin task

Managing and communicating with staff is by far the most time-consuming admin task for most tradies, closely followed by sending out quotes. Over 30% of New Zealand tradies said they spend 10+ hours liaising with staff, and just under 20% spend the same amount of time on quotes.

Think about this: if you spend 10+ hours per week on quoting, that's 40 hours a month. In a year – 480 hours! If you're able to cut that number by half, that's 240 hours a year you could spend on the tools, or even better, doing stuff you love with family and friends.

## Chasing payments

Good news, tradies are getting paid faster! 72% of trade business owners are spending on average just one hour per week chasing payments. Things like automated payment reminders and online payments have most certainly had an impact here.

**Tradies who spend 10+ hours a week on their quoting, spend 480 hours per year on just that single admin task!**

Trade business owners with 11-50 or even 50+ staff, spend a similar amount of time on admin as 2-10 staff businesses.

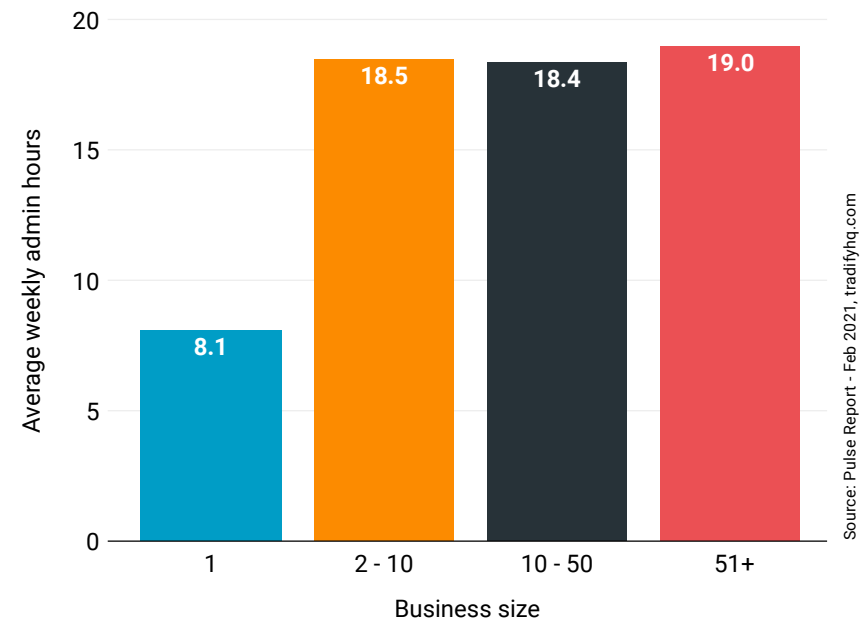
## Admin time more than doubles when you hire

Hiring your first employee is a big step for growing a trade business and can boost the number of jobs you can accept. But it appears that for most New Zealand tradies, moving from a one-man-band to a duet more than doubles the average number of hours spent on admin tasks.

What this tells us is it doesn't matter whether you're two people or twenty. Getting your job management processes sorted before you consider hiring your first employee will help keep your business running efficiently as it scales up.

Considering over 30% of New Zealand tradies spend 10+ hours a week managing staff, finding a way to do it more efficiently will save you loads of time.

### Average admin hours vs trade business size



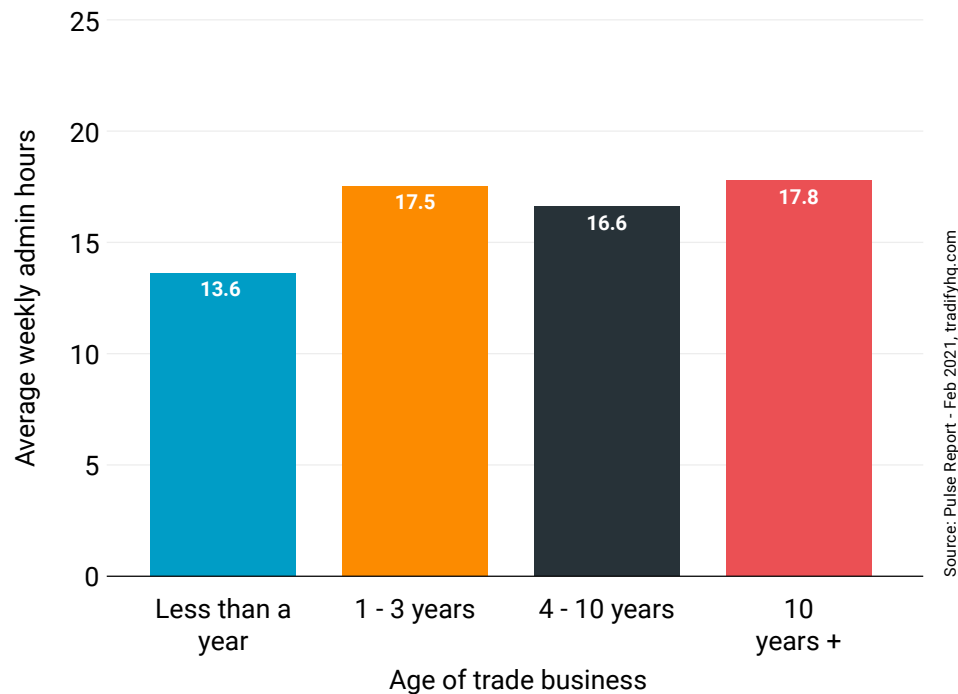


## Younger tradies spend less time on admin

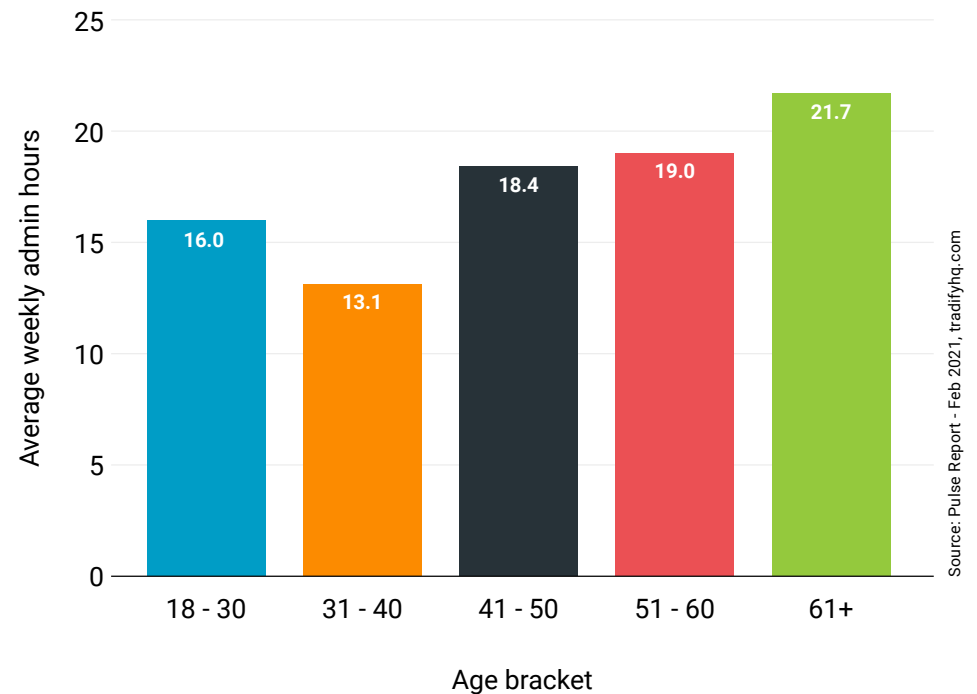
Most new trade businesses and young tradies are spending less time on their weekly admin tasks. Many established trade businesses are spending 16+ hours per week. This may be simply because they're bigger and have a larger volume of quotes and invoices to manage, but it could also indicate inefficiency if they're still relying on a paper-and-pen system.

New Zealand tradies are using a mixture of tools to manage their admin: job management software, paper and pen, accounting systems and Excel spreadsheets. Some feel in control of their business, others do not. What we do know is it can be hard to compete if you aren't at the same level of efficiency as other trade businesses. The more time you're forced to spend on admin, the less time you can charge as billable hours.

### Age of trade business vs average weekly admin hours

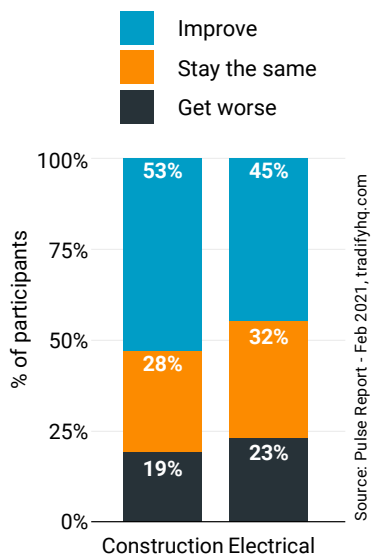


### Average weekly admin hours vs participant age

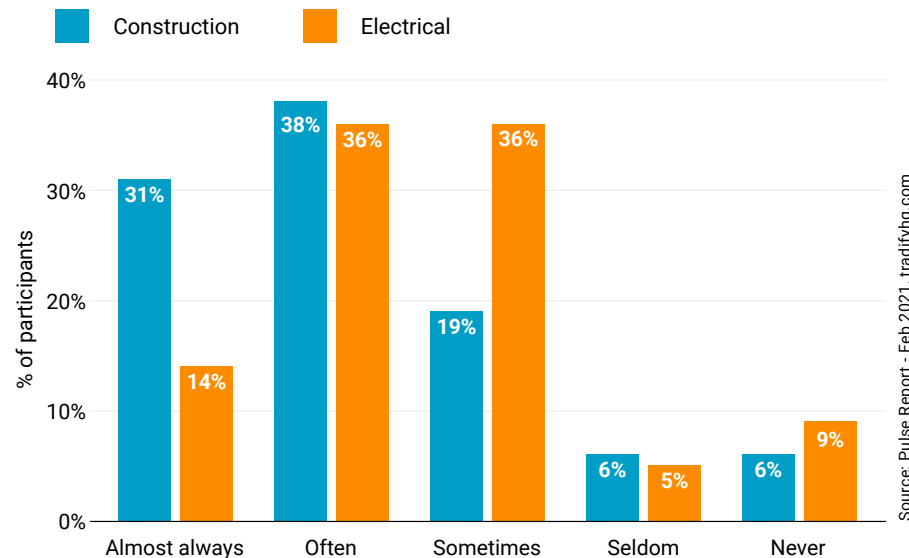


# Battle of the trades: electricians vs construction

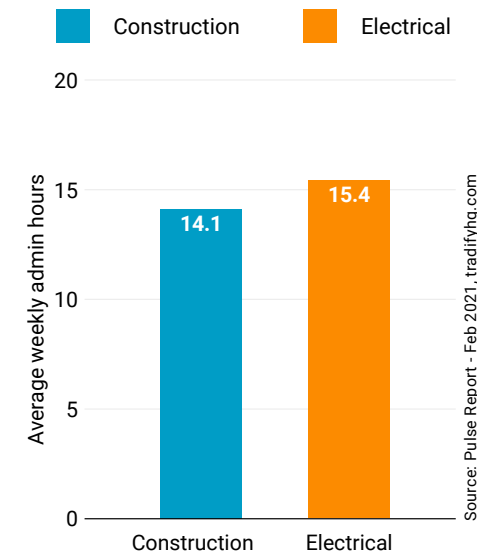
**In 12 months time, business conditions will:**



**How often do you feel in control of your business?**



**Average weekly hours spent on admin**



**14% of owner/operator electricians never feel in control of knowing how they're doing financially.**

Construction-related business owners (including builders, roofers and floorers) are slightly more positive that business conditions will improve in the next 12 months compared to electricians. Construction workers also seem to feel more in control of their businesses and spend slightly less time on admin.

Most of the time, both electricians and construction workers have a good understanding of how they're doing financially. But still, a significant 14% of electricians never feel in control of this part of their business while only 3% of those in construction feel the same.

Like other trade businesses, both electricians and construction workers spend the most time on 'people stuff' – communicating with clients and managing staff. They also spend the least amount of time chasing up payments. Electricians spend slightly more time on their quoting and invoicing.

# Recommendation 1: Streamline your admin, grow your business



Based on the results of this survey, tradies want to land more work and grow their business. No surprises there! There's a positive outlook for the year ahead and with the right systems in place, you can achieve your business goals.

## Goal for 2021?

**"Winning good contracts and managing the projects."**

**BUILDER, CHRISTCHURCH**

Use technology like accounting software and job management software to help run your business more efficiently. The sooner you implement better processes, the sooner you'll see results.

- **See where can you save time & money:** You've only got a certain number of hours in each day – do you know where you spend your time? You need to know what tasks are taking the longest so you can make improvements and grow your business.
- **Scrap the paper:** Sick of losing notes, lists and client information under endless stacks of paper? Get all your job information sitting in one place that you and your team can access while on the go.
- **Consolidate your admin:** If you're not using paper but are working across three or four disparate systems, you could be wasting just as much time. Find one system that streamlines your workflow process – and integrates with other systems like your accounting software.

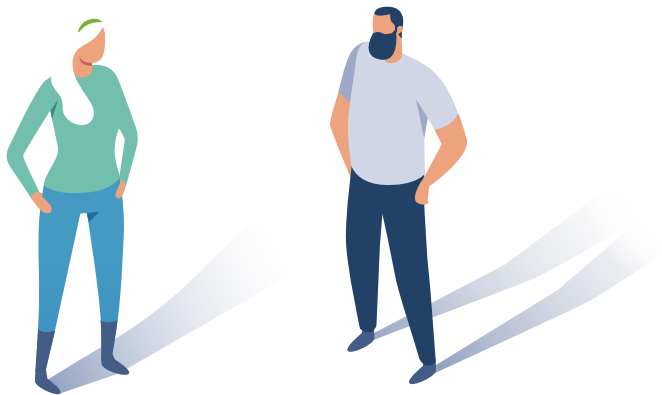
**Need help marketing your trade business online?**

**Get the Tradify Guide to Digital Marketing**



# Recommendation 2:

## Use technology to manage your team



Trade business owners are spending more time on the phone organising staff than they do talking to customers. For larger businesses, it can be hard to keep track of everything everyone's doing. For a young business, it's hard to find the time or resources to hire and manage new staff.

The right tools will help you create a happier and more productive workforce. Growing your business is meant to make you more money, not bog you down with admin. Spend more time doing what you love by running your business with software that scales with you as you grow.

### Goal for 2021?

**"Implement better team structures and introduce new personnel into the team"**

**ENGINEER, DUNEDIN**

- **Reduce admin time:** Manage your whole team at once, without having to call them individually. Last-minute urgent job? Check who's closest and dispatch instantly.
- **Schedule time efficiently:** Use the right tools to schedule your team's day, provide easy access to job details, and fill timesheets on the go. Visibility over jobs for the week helps everyone plan ahead.
- **Think about hiring:** Once you've got your admin under control and extra cash flow to support another pair of hands, consider hiring an apprentice. Just make sure you've got the right tools to manage that job too.

**Learn How To Manage a Team Efficiently**

# Recommendation 3:

## Quick quoting to win more work



The quick quoting tradie wins the job. If you take too long or miss an enquiry, that customer won't wait around for your reply. Getting quotes out fast will give you a leg up on your competition – and increase the likelihood of you securing more jobs.

### Goal for 2021?

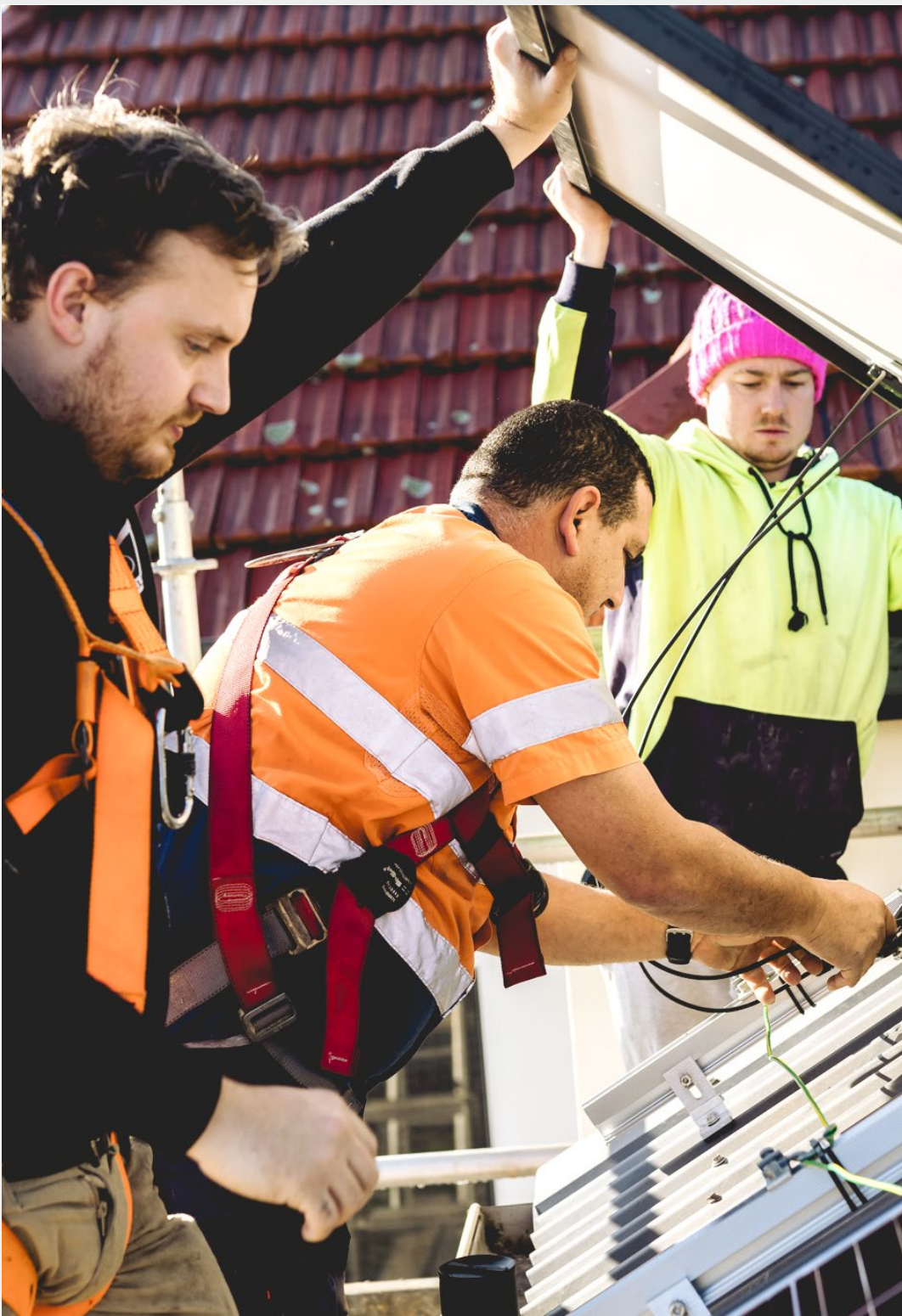
**“Be more efficient and train apprentices to be more efficient work and paperwork-wise.”**

**ELECTRICIAN, AUCKLAND**

Fast and efficient communication is key to running a business. That goes for communicating with staff as well as customers. Leverage technology to help you communicate as swiftly as possible, and watch your business improve as a result.

- **Get back to people fast:** It's simple maths – the more enquiries you respond to, the more likely you are to secure jobs. Responding to every enquiry will improve your quote win-rate, and software like Tradify helps you do just that.
- **Set up an auto-response:** Whether it's a recorded voicemail message or automated email response, let your customers know when they can expect to hear from you – and make sure you follow through.
- **Quote while you work:** Why wait until you're in the office when you could send a quote directly from your phone, within minutes of speaking to the customer? Use pre-set templates in Tradify to build comprehensive quotes quickly.

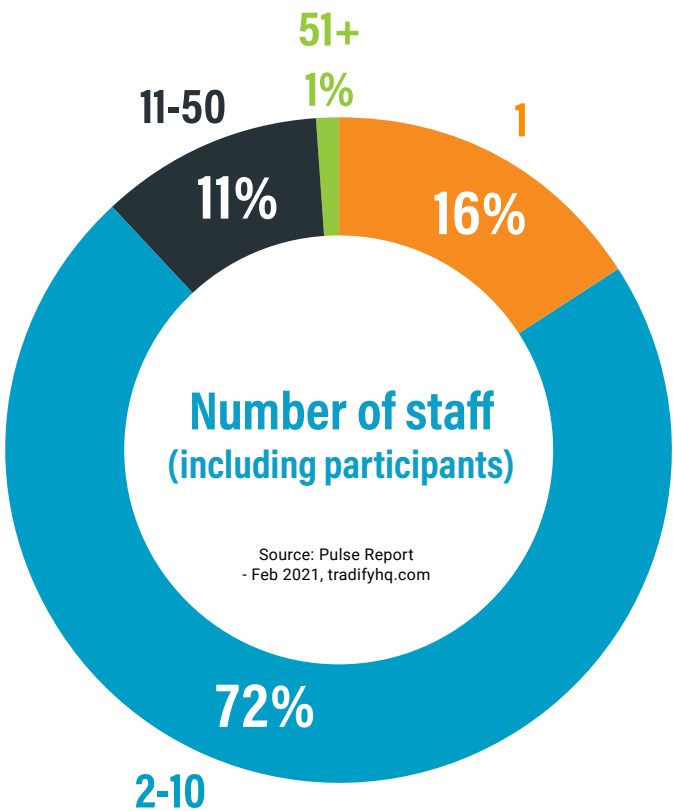
**Use Pre-Set Templates to Build Quotes**



## Who did we survey?

The Pulse Report was conducted as an online survey between 15 December 2020 and 25 January 2021. Invitations to participate in the survey were sent by Tradify to trades business owners who operate in New Zealand, Australia or the United Kingdom.

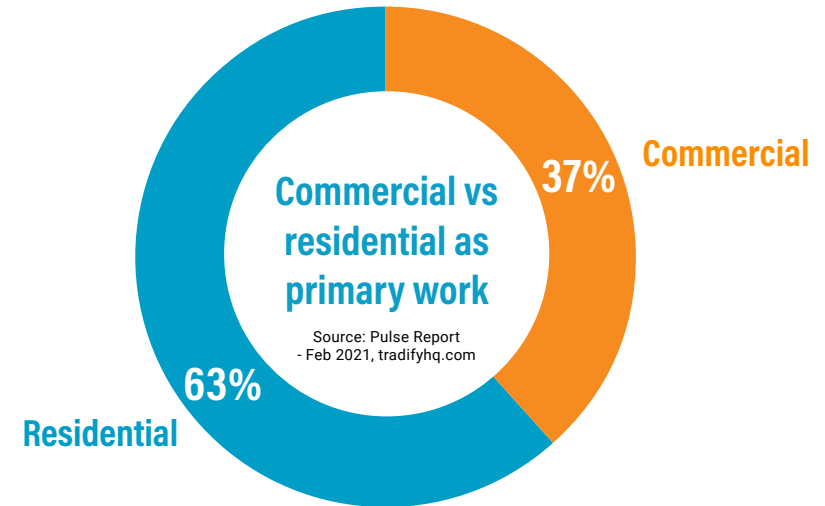
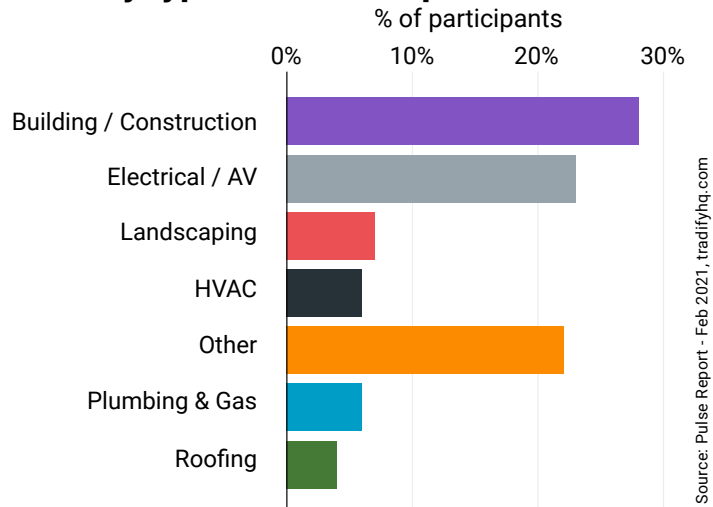
Keen to take part? Keep an eye out for our next survey!



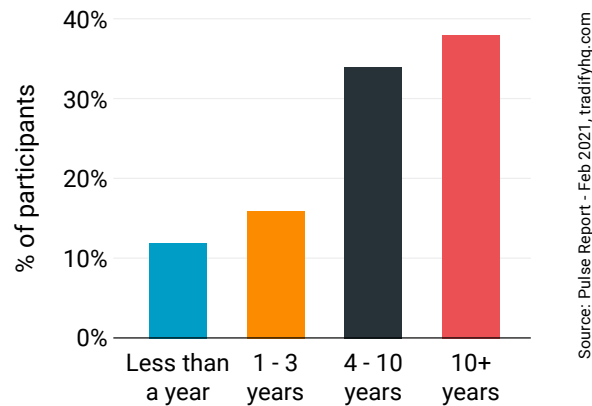


# New Zealand participant profile

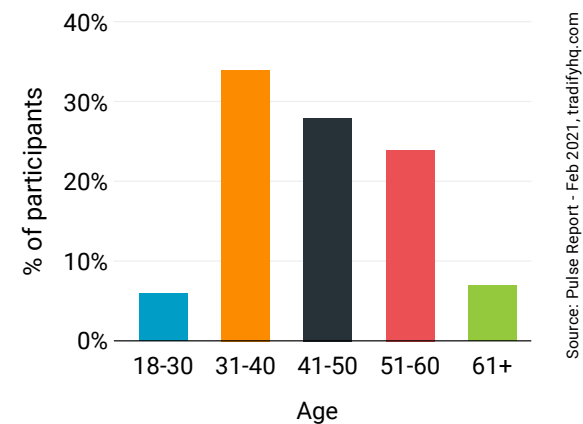
## Primary type of work completed



## Participant business age



## Age of participant



PRESENTED BY:

# TRADIFY

Job management software trusted by over 17,000 tradies.

**Start your free trial today.**