



2025 New Zealand Business Roundtable in China Business Outlook Report

China, July 2025



United Media Solution
Digital Marketing Specialist

Supported By: ICBC 工银新西兰

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MESSAGE FROM THE CHAIR

Mark Anderton

*Chair
NZBRiC*

We are pleased to present our 2025 New Zealand Business Roundtable in China (NZBRiC) Business Outlook Report, emanating from our survey of 60 New Zealand companies working with China. It should be noted that the survey was completed prior to New Zealand Prime Minister Christopher Luxon's much anticipated visit to China in 2025, but which follows several high-level exchanges between New Zealand and Chinese leadership in the last year. We are pleased to report that the survey finds a healthy and optimistic relationship between our respective government and business leaders, on multiple levels.

The results of this year's survey can be summarised by three overarching themes: **Optimism**, **Opportunity** and **Growth**. As China continues to grow domestically, New Zealand businesses are strategically positioning themselves

for long-term success, balancing opportunity with resilience, and investing in meaningful commercial partnerships. Overall, it's encouraging to see a clear emphasis on sustainable market engagement, highlighting the continued potential China offers to both new and established New Zealand entrants.

Optimism

Despite ongoing global economic turbulence, this year's survey highlights a strong and encouraging sense of optimism among New Zealand businesses operating in China. Over 90% of our respondents expressed optimism about operating in China, an increase from previous annual surveys and a sign of continuing confidence. 'Optimism' about profitability expectations and e-commerce opportunities scored highly.

Over 60% of respondents reported a positive outlook for revenue potential in Tier 1 and Tier 2 cities, and more than 45% extend that confidence to Tier 3 cities as well. Additionally, 66% of respondents expect increased revenue in the next year, with 55% also projecting higher profits, despite sluggish economic headwinds at home.

Opportunity

New Zealand businesses are actively capitalising on ‘emerging opportunities’ in the China market. Local partnerships are gaining prominence, with 23% of respondents identifying collaboration with Chinese firms as a key enabler of business success. 20% of companies are now producing or sourcing goods within China for the local market, a 13-point increase from 2024. This reflects both the growing strategic value of local Chinese expertise, and of extending supply chain models beyond traditional export/import frameworks. The perceived challenges to operating in China are seen to be easing, at the same time as New Zealand businesses are also demonstrating greater resilience and adaptability.

Growth

The third theme arising from our 2025 survey is the expansion of China’s domestic markets and rising consumer demand, prompting New Zealand businesses to pursue further ‘growth’ opportunities. Notably, expansion into Tier 2 and Tier 3 cities stood out, as

businesses increasingly target new market segments, to diversify revenue streams and localise operations.

70% of the companies surveyed reported stable or increased revenues, with 51% reporting year-on-year revenue growth. Profit growth is also positive; half of all respondents recorded improved profits compared to 2024, highlighting a resilient and upward trajectory.

China has seen a slight decline as the top investment priority in 2025. Nevertheless, it remains one of the leading markets for NZ companies’ focus, for over 30% of surveyed companies. More than 80% of respondents are planning to maintain or increase their investment in China. These findings emphasise China’s continued appeal to NZ exporters as a ‘growth’ market.

Looking ahead

This report offers a robust foundation of insights, analysis, and recommendations for all stakeholders in the NZ–China relationship. We hope that business, government and professional communities can draw on these findings to guide and support their decision-making in the year ahead. As we collectively navigate the opportunities and challenges of the China market, we look forward to working closely with such stakeholders to strengthen NZ-China trade sectors.

In closing can I offer, on behalf of our Board, a vote of thanks to our departing Executive Director Anna-May Isbey who has repatriated to New Zealand with her family, and a warm welcome to our new Executive Director Nicholas Calder. For media enquiries, please contact Nick at “nicholas.calder@nzbric.com”



The 2025 New Zealand Business Roundtable in China Business Outlook Report

is the third annual survey administered by New Zealand Business Roundtable in China (NZBRiC). The survey examines the opinions and confidence of New Zealand businesses operating in the Chinese market, and seeks to provide valuable context, insights, and policy recommendations for business leaders, policymakers, and government officials.

China's economy experienced year-on-year GDP growth of 5.4% in 2024, (matching the 5% growth reported in 2023) meeting the Government's target of 'about five per cent' for 2024. This growth was primarily driven by the manufacturing and services sectors, which saw 6% and 5% growth respectively. The Chinese Government continues to focus on expanding domestic consumption and income levels, in anticipation of export declines. The stimulus measures introduced in September 2024 to support economic recovery and restore business confidence have at least partially rejuvenated consumer confidence and improved consumption, in Q4 of 2024.

Of high relevance to New Zealand exporters, retail sales increased by 5.9% year-over-year in March 2025, beating market expectations of a 4.2% gain and representing the strongest growth in retail activity since December 2023. Over the remaining year, various economists have forecast an annual GDP growth rate of around 5.0% (the more conservative IMF have forecast 4.5% growth for China, after this recent round of tariff negotiations). Nonetheless, the Chinese government has publicly reiterated confidence about the resilience of its own domestic economy this year.

2025 has seen an unstable geopolitical environment, as tensions over trade and economic security have mounted between China and the USA. While these developments have had global implications, it is important to note that the New Zealand–

China trade relationship has remained robust under our longstanding FTA agreement. Two-way trade increased in the last year by 1.5% compared to 2023—a gain of NZD \$568 million, bringing the total to NZD \$38.255 billion. This represents a slight recovery from the contraction experienced in 2023 following the record high of NZD \$40.156 billion in 2022. New Zealand–China trade continues to demonstrate underlying resilience and adaptability as the survey responses show.

Over the last year, New Zealand's key goods exports to China delivered mixed results. Dairy exports increased by 4.5% to NZD \$6.4 billion, rebounding from 2023's decline. Wood exports declined by 2.7% to NZD \$2.91 billion, and meat and edible offal exports fell sharply by 32.1%, dropping to NZD \$2.1 billion (a significant contraction in this traditionally strong category).

In services, the recovery of business and tourism movement drove notable growth. New Zealand's travel services exports to China rose by 35.5%, reaching NZD \$3.1 billion, while travel services imports from China increased by 23.3%, totalling NZD \$1.29 billion.

This report will further explore localisation strategies and regional expansion into those emerging provinces. The growth of Tier 2 and Tier 3 cities is becoming another priority for New Zealand firms.

As China begins to plan its 15th Five-Year Plan (2026–2030), it has made substantial progress in expanding its domestic and global value chains, driven by advancements in high-quality manufacturing, innovation in electronics, and next-generation technologies. We hope that this report can provide valuable support for business decisions and help to support the NZ-China trade relationship over the next 5 years.



ABOUT THE NEW ZEALAND BUSINESS ROUNDTABLE in CHINA (NZBRiC)



New Zealand Business Roundtable in China | 新西兰中国商业圆桌会

The New Zealand Business Roundtable in China (NZBRiC) is a non-profit organisation that unites industry, corporate, and individual members committed to advancing the New Zealand–China commercial relationship. Our mission is to foster a collaborative network of businesses and government leaders, serving as the primary voice and advocate for New Zealand–China trade relations. Through our efforts, we continue to strengthen bilateral ties and drive growth in key trade sectors across both nations.

Our members span a diverse range of sectors, including food and beverage, professional services, cosmetics, technology, education,

and fast-moving consumer goods. Collectively, our membership now accounts for over 50 per cent of New Zealand's export value to China.

Headquartered in Shanghai – China's economic centre – NZBRiC remains closely connected to its members, delivering dedicated support through our four core pillars: **advocacy, information and insights, networking, and representation**. These pillars guide our work as we champion the interests of New Zealand businesses in China, ensure they are informed and heard, and foster meaningful connections that help drive long-term success in the world's second-largest economy.



ABOUT UNITED MEDIA SOLUTION (UMS)

Bridging Brands with Global Audiences

Who We Are

At UMS, we craft innovative, data-driven marketing strategies that authentically connect brands with global audiences. With expertise across international education, tourism, B2B, and government relations we take pride in our ability to create and deliver tailored solutions that resonate across cultures and regions.

United Media Solution (UMS) was founded in 2011 by Jessica Miao, with roots in both Auckland and Ningbo. What started as a cross-cultural business connecting New Zealand and China has since expanded its reach with international clients spanning Australia, New Zealand, China, the UK, Europe, and select markets in the US.

Our journey began in China, where our deep local connections and cross-cultural understanding provided a strong foundation for growth in the APAC region. Today, we are proud to partner with clients around the world, from multinational corporations to emerging brands looking to expand their presence.

Our Values

At UMS, we value transparency, collaboration, and growth. We believe in creating an open, environment where our team and clients can thrive together. Our culture is young, professional, and fun—driven by a passion for delivering results and fostering strong relationships.

We are grateful for the journey that has brought us here and excited for the future as we continue to keep growing, evolving, and breaking new ground alongside our clients.



**ABOUT OUR SPONSOR
INDUSTRIAL AND
COMMERCIAL BANK OF
CHINA (NEW ZEALAND)
LIMITED**

ICBC 中国工商银行

About ICBC Group

Industrial and Commercial Bank of China was established on 1 January 1984. On 28 October 2005, the Bank was wholly restructured into a joint-stock limited company. On 27 October 2006, the Bank was successfully listed on both Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited.

The Bank has devoted itself to building a world-class and modern financial institution with Chinese characteristics. The Bank has a high-quality customer base, a diversified business structure, strong innovation capabilities and market competitiveness. The Bank regards service as the very foundation to seek further development and adheres to creating value through services while providing abundant financial products and superior financial services to over 13 million corporate customers and 766 million personal customers around the world. It has served the high-quality development of the economy and society with its own high-quality development. The Bank has been consciously integrating social responsibilities into its development strategy and operation and management activities, and gaining wide recognition in the aspects of serving the manufacturing industry, promoting inclusive finance, backing rural revitalization, developing green finance and participating in public welfare undertakings.

The Bank always keeps in mind its underlying mission of serving the real economy with its principal business, and along with the real economy it prospers, suffers and grows. Taking a risk-based approach and never overstepping the bottom line, it constantly enhances its capability of controlling and mitigating risks. Besides, the Bank remains steadfast in understanding and following the business rules of commercial banks to strive to be a long-lasting and ever-prosperous bank. It also stays committed to seeking progress

with innovation while maintaining stability, continuously enhances the key development strategies, actively develops the FinTech and accelerates the digital transformation. The Bank unswervingly delivers specialized services, and pioneers a specialized business model, thus making it "a craftsman in large banking".

The Bank was ranked the 1st place among the Top 1000 World Banks by The Banker for the twelfth consecutive year, and took the 1st place among the Top 500 Banking Brands of Brand Finance for the ninth consecutive year.

About ICBC New Zealand

As a wholly-owned subsidiary of ICBC, Industrial and Commercial Bank of China (New Zealand) Limited (ICBC New Zealand) obtained banking license from the Reserve Bank of New Zealand (RBNZ) on 19 November 2013. ICBC New Zealand is the first Chinese bank licensed to operate in New Zealand and marks ICBC's first institutional presence in the country. In 2020, ICBC was granted a branch license in addition to the subsidiary license. Through the dual license structure and leveraging the extensive global network of ICBC, we offer an extensive range of financial products and services for the New Zealand market including account management, remittance, international settlement, corporate finance, trade finance and mortgage loans etc.

Integrated with ICBC's internationalization steps, ICBC New Zealand aims at generating value for our clients with comprehensive corporate and retail services and becoming a bridge between New Zealand and China to boost bilateral economic and trade relationship.

ICBC New Zealand is located in Auckland CBD, which is the centre of finance and conveniently located close to transportation. Surrounded by classical Baroque architecture and spacious business district, our clients can enjoy VIP services in Chinese and English languages.



Thank you for reading the third annual New Zealand Business Roundtable in China Business Outlook Survey Report. This comprehensive report is based on a survey conducted by NZBRiC in May 2025 and represents our flagship advocacy publication of the year.

It provides a unique platform for New Zealand businesses operating in China to share their perspectives and shape how New Zealand engages with China on matters of business, trade, and policy. For many respondents, this survey offers the most direct channel to ensure their views are reflected in the broader dialogue on New Zealand-China economic relations.

This edition marks the first time the report has been published in both English and Chinese, expanding its reach and impact among stakeholders in both New Zealand and China. The findings presented here serve as a trusted resource for government officials, policymakers, and business leaders, helping to inform decision-making across sectors.

Firstly, NZBRiC extends its sincere thanks and appreciation to all respondents for their invaluable participation in the Business Outlook Survey 2025 – your insights made this report possible. We also wish to thank our Executive Committee for their guidance, input, and continued commitment to NZBRiC's success.

Finally, NZBRiC would like to extend our appreciation to the Industrial and Commercial Bank of China (New Zealand) Limited for their first-time sponsorship of the report. Your generous patronage enables us to continue supporting the New Zealand business community in China.

KEY STATISTICS

52%

of businesses report expressing high or very high confidence about doing business in China, with 95% reporting at least moderate optimism. This year marks the inaugural inclusion of a headline optimism figure, designed to track overall New Zealand business sentiment towards the China market.

51%

of New Zealand businesses reported a revenue increase over the last financial year, a modest rise from 46% in 2024. Significantly, only 28% of respondents experienced a decrease in revenue, consistent with 2024 figures. This performance signals considerable resilience during an economically challenging year, both domestically and in China.

50%

of respondents reported an increase in profits during the last financial year. These actual results are largely consistent with the 2024 survey's findings, where 56% of businesses anticipated increased profitability in the year ahead and profitability growth remains the second largest reason for being present in the China market.

62%

of companies are optimistic about opportunities in tier 2 cities, and 48% about tier 3 cities. While these percentages represent a slight dip from last year's survey, the findings nevertheless confirm New Zealand companies' continued strategic focus on leveraging the demand potential available across these diverse urban centres.

3

new companies successfully entered the China market last year. This highlights the prevailing

optimism and a proactive approach by New Zealand businesses to establish a presence. Yet, a significant shift in market tenure is evident with companies reporting 1-10 years in the China market dropping from 50% in 2024 to 35%. This shift suggests a combination of market attrition and the natural progression of businesses into more established, long-term operations, as reflected by a 10% increase in companies reporting over 10 years in China, up from 50% to 60% of companies surveyed.

32%

of respondents indicated the strength of their channel partnerships as their reason for being in China, marking a 12% increase from the 2024 survey. This trend underscores the vital role of effective local partnerships in China and suggests a rising level of cooperation between New Zealand companies and their Chinese distributors.

Bilateral Relationship and Other Markets

70%

of New Zealand businesses feel the bilateral relationship with China is strong, a significant 14% decrease since last year and the lowest result since the survey began.

SEA & OCEANIA

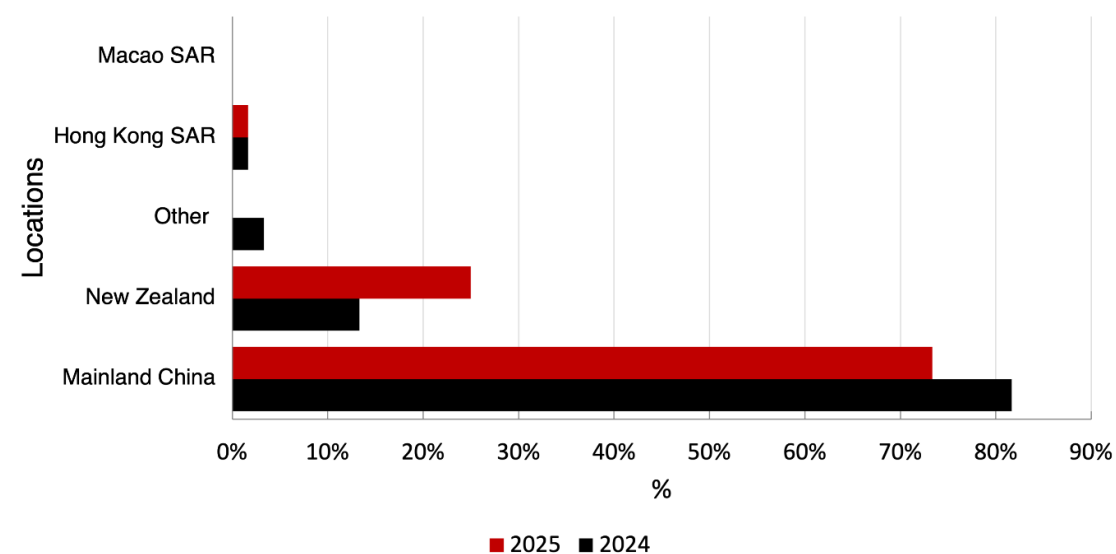
Beyond China, New Zealand companies operating in the market are prioritizing Southeast Asia (27%) and Oceania (20%). Notably, Oceania's importance has surged by 15% since 2024. Concurrently, there has been a shift away from the USA and European markets, with the US down 7% and Europe down 3% compared to the 2024 survey.



**METHODOLOGY
AND
SURVEY
RESPONDENTS**



Where are you located?



This report is based on a survey of 60 New Zealand businesses with operations in China, representing a substantial share of New Zealand's commercial presence in the market. The sample includes a diverse range of industries, company sizes, and operational models. Responses were provided by the most senior executives responsible for China operations, with data collection completed in May 2025.

Compared to last year, the 2025 sample includes a higher proportion of New Zealand-based respondents. Over 70% of participants were based in China, while 25% were located in New Zealand, representing a 12-percentage-point increase. This shift indicates a broader domestic perspective within this year's sample.

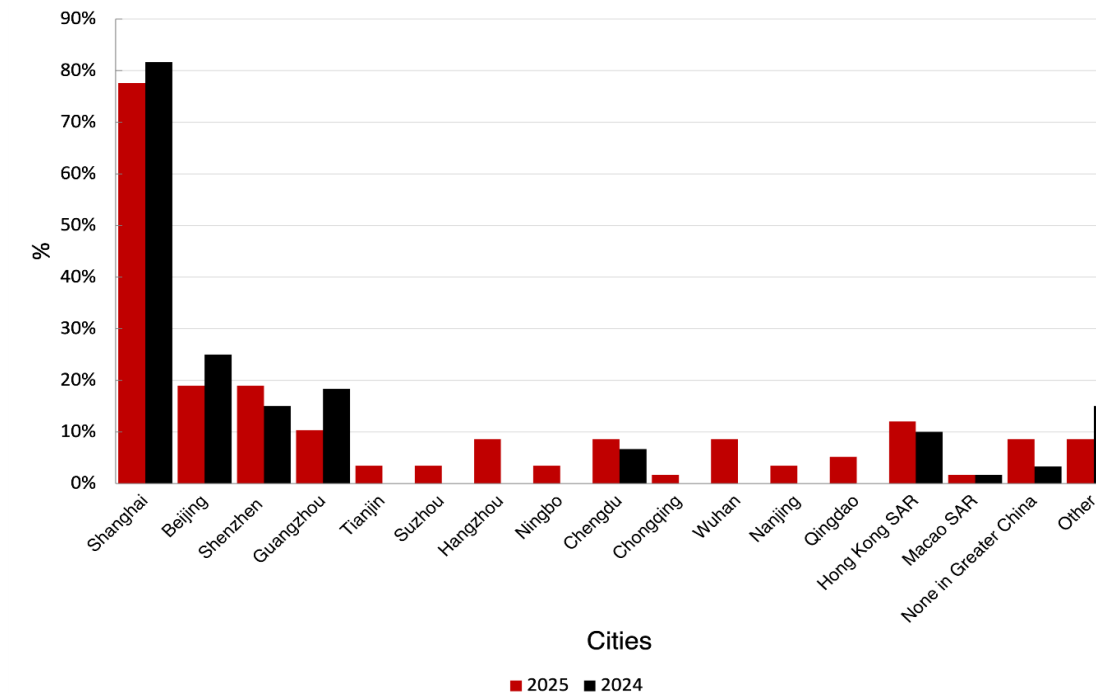
Examining on-the-ground business presence in China, the 2025 survey expanded its coverage by introducing additional city options. This change was prompted by the 2024 finding that many businesses were prioritising expansion into new cities and regions. The results show a gradual dispersal of New Zealand business activity into Tier 2 and Tier 3 cities, indicating a greater breadth of New Zealand business presence across China and stronger commercial opportunities outside of Tier 1 cities.

Among Tier 1 cities, reported presence was 78% in Shanghai (-4 percentage points), 19% in Beijing (-6), 19% in Shenzhen (+4), and 10% in Guangzhou (-8).

Map of China

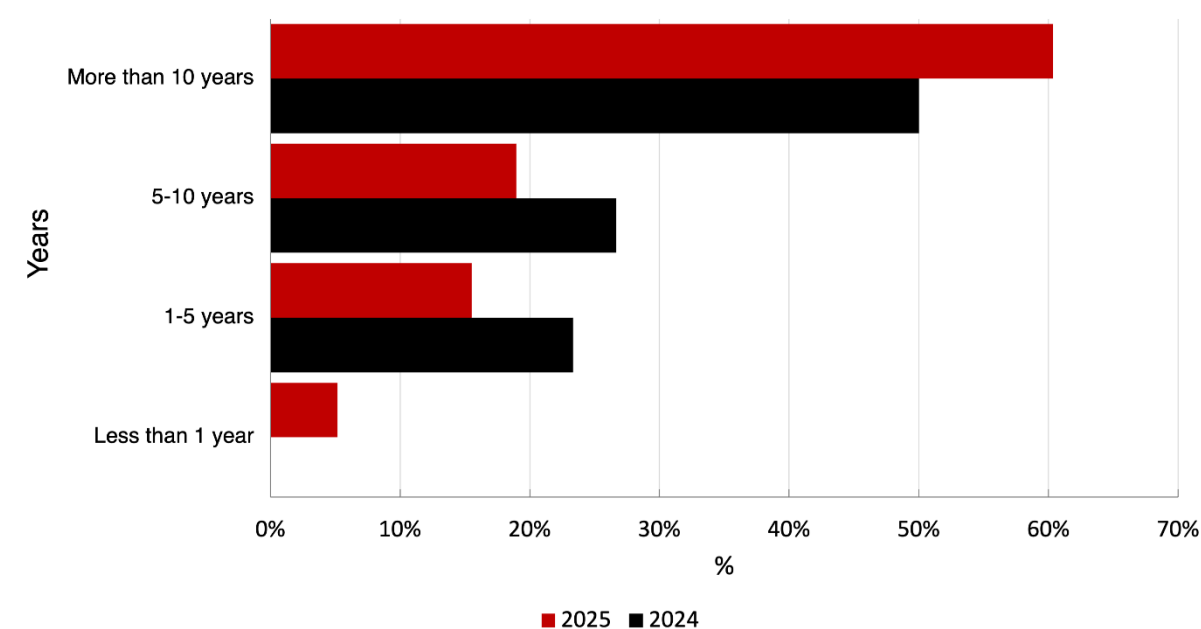


Where does your organisation have an on-the-ground presence or sales office in China?

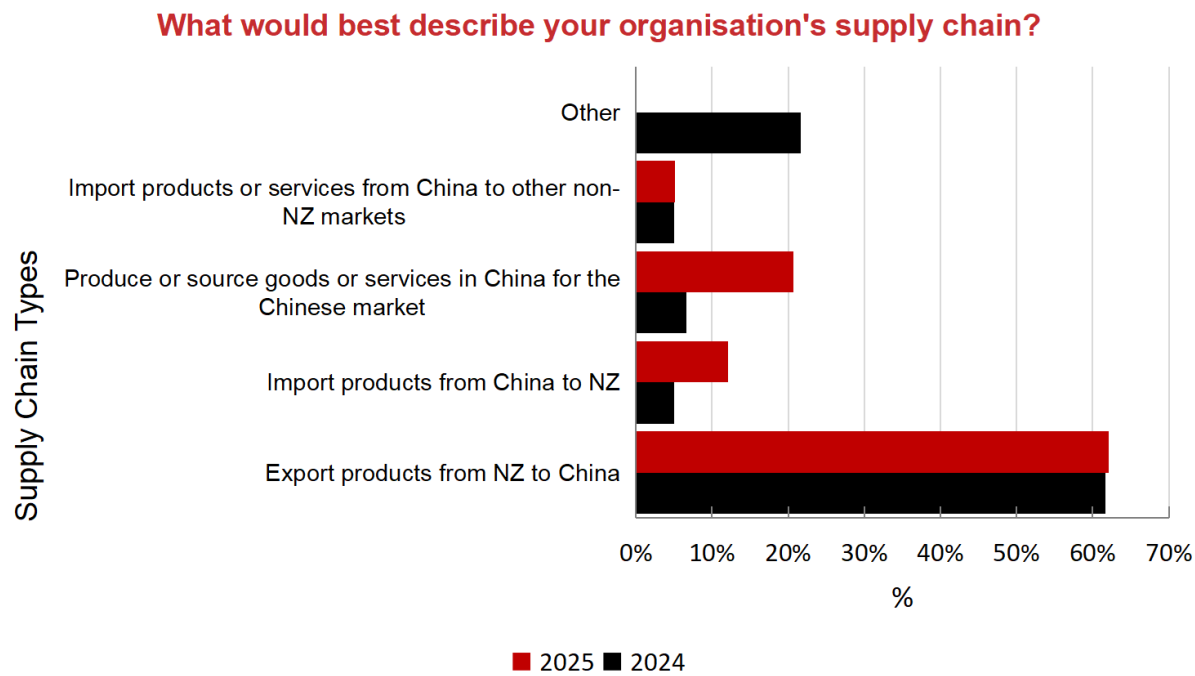


Respondent data on length of operations in China highlights shifts in market maturity among New Zealand businesses. The proportion of companies with over 10 years of operating experience increased by 10 percentage points, reaching 60% in 2025. Conversely, there was an 8-point decline in both the 1-5 year and 5-10 year categories, suggesting some level of churn in an increasingly competitive market environment and companies moving up into the “10-year club”. Notably, three respondents reported entering China within the past year, perhaps indicating renewed optimism for entering the China market. Overall, the data points to a high degree of stability among established New Zealand businesses operating in China.

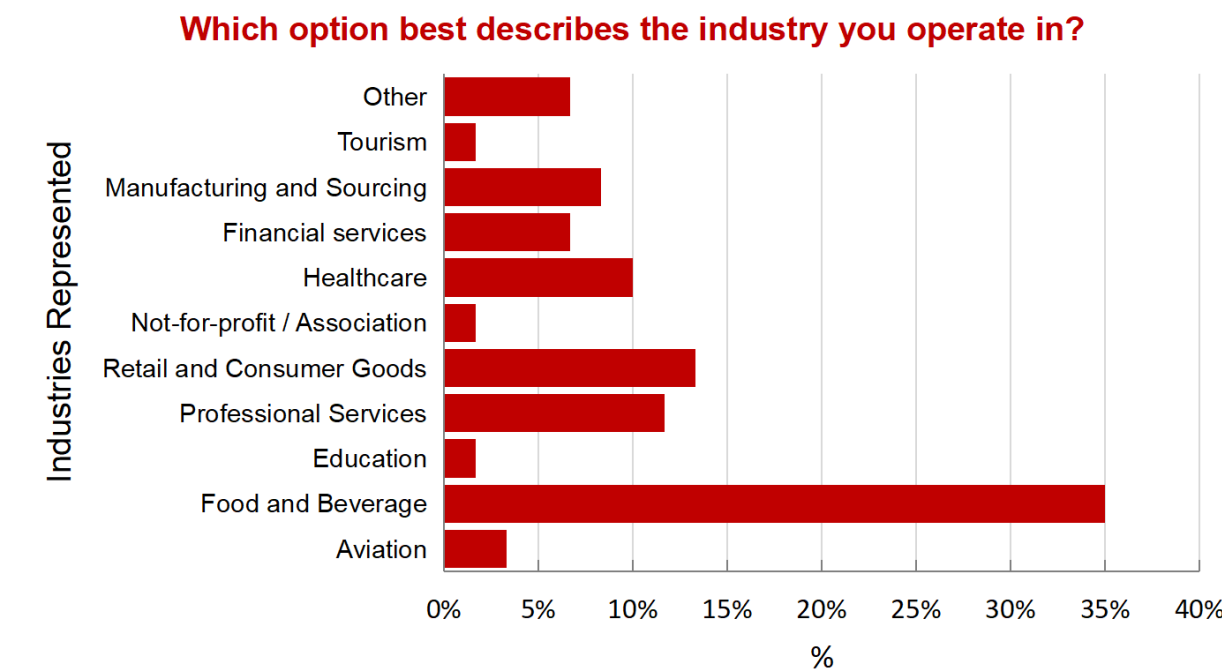
How long has your organisation been operating in China?



Supply chain-related responses remained broadly consistent with 2024, with over 60% of respondents continuing to export to China. Of most significance, there was a 7-point increase in businesses producing or sourcing goods and services within China specifically for the Chinese market, reaching 21%. This reflects a growing recognition of the importance of brand localisation – an insight explored further in the sections that follow.



The industry composition of the sample remains broadly consistent with previous years, except for the aviation sector, which was captured for the first time in 2025.

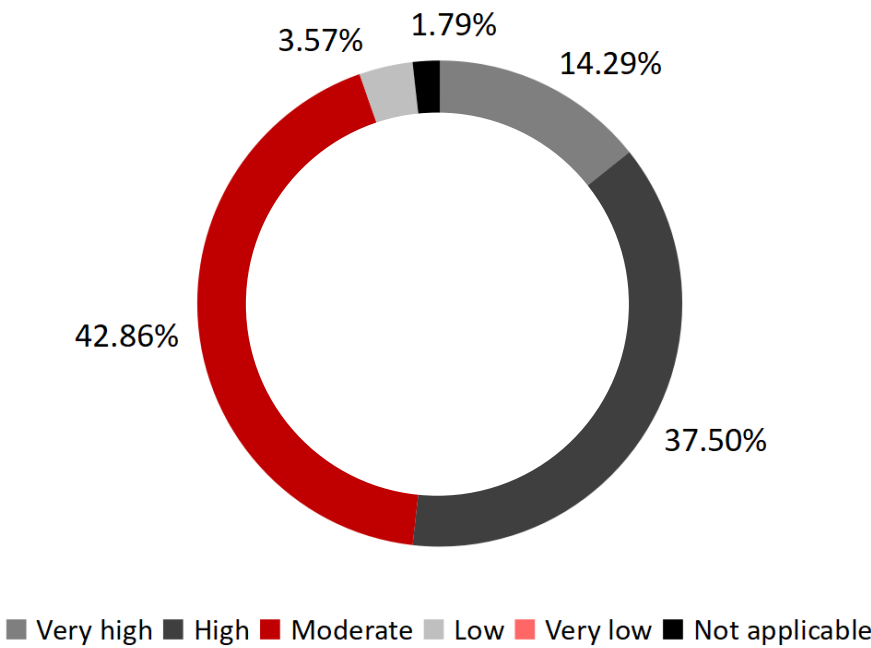


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**BUSINESS
SENTIMENT
AND
INVESTMENT
OUTLOOK**

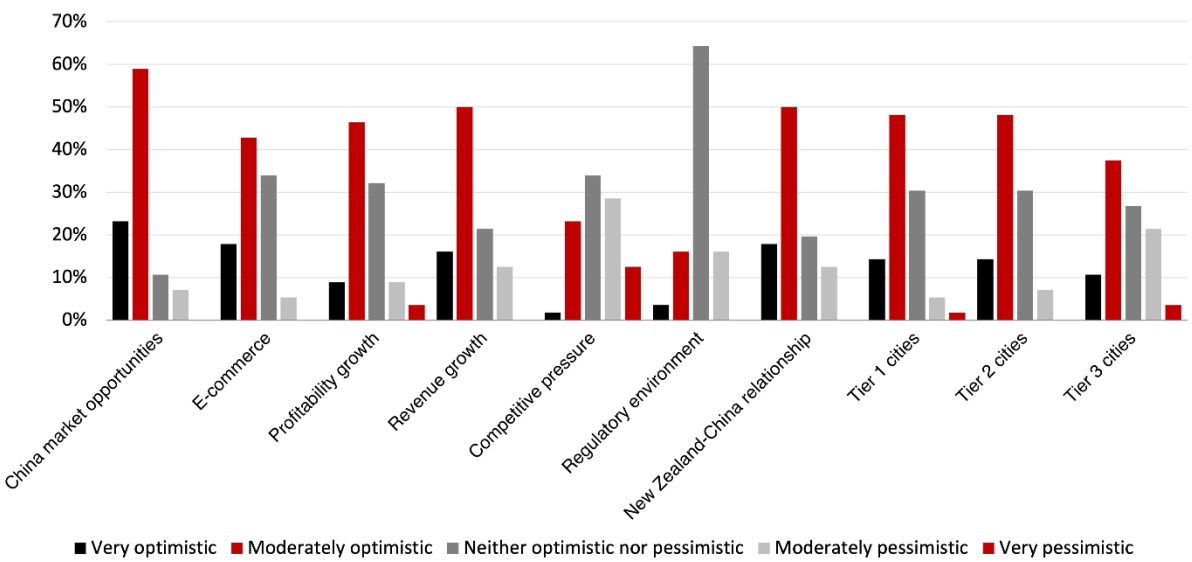


This year's NZBRiC Business Outlook Survey introduces a headline optimism figure for the first time. Despite a turbulent global economic environment, the optimism of New Zealand businesses operating in China remains robust, with 94% of respondents expressing confidence in the Chinese market. This strong result underscores the continued importance of China as a key destination for New Zealand businesses seeking global expansion.

How would you describe your general optimism towards operating in China?



How would you describe your outlook in China for each of the following over the last year?

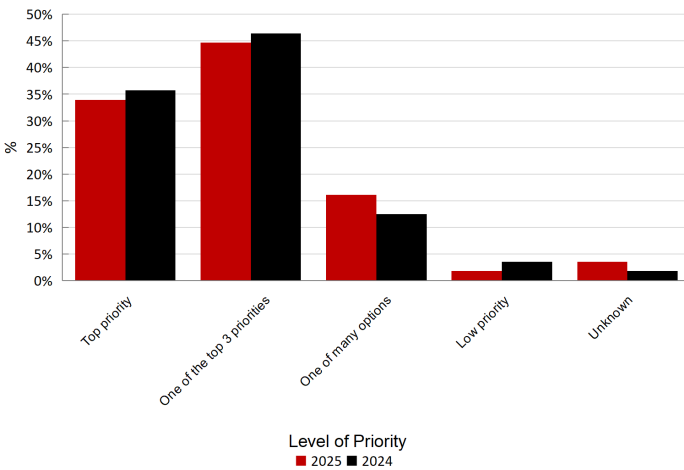


How does China rank in your organisation's global investment plans?

78%
Top Three Priority

34%
Top Priority

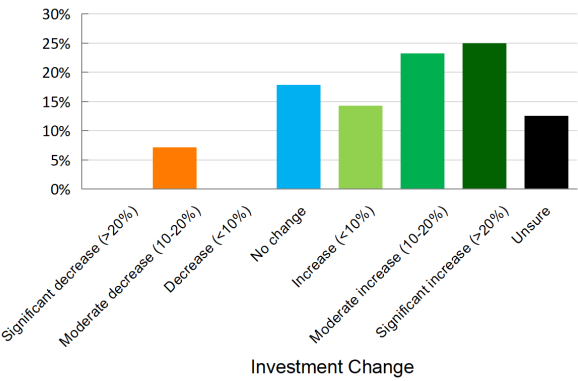
2%
Low Priority



While headline optimism remains notably high and the majority of New Zealand businesses plan to deepen their investments in China, there has been a slight decrease in China's ranking as a top investment priority. The proportion of businesses viewing China as among their top three priorities fell from 83% in 2024 to 78% in 2025. Currently, 34% of respondents identify China as their top priority for investment, with only 2% considering it a low priority.



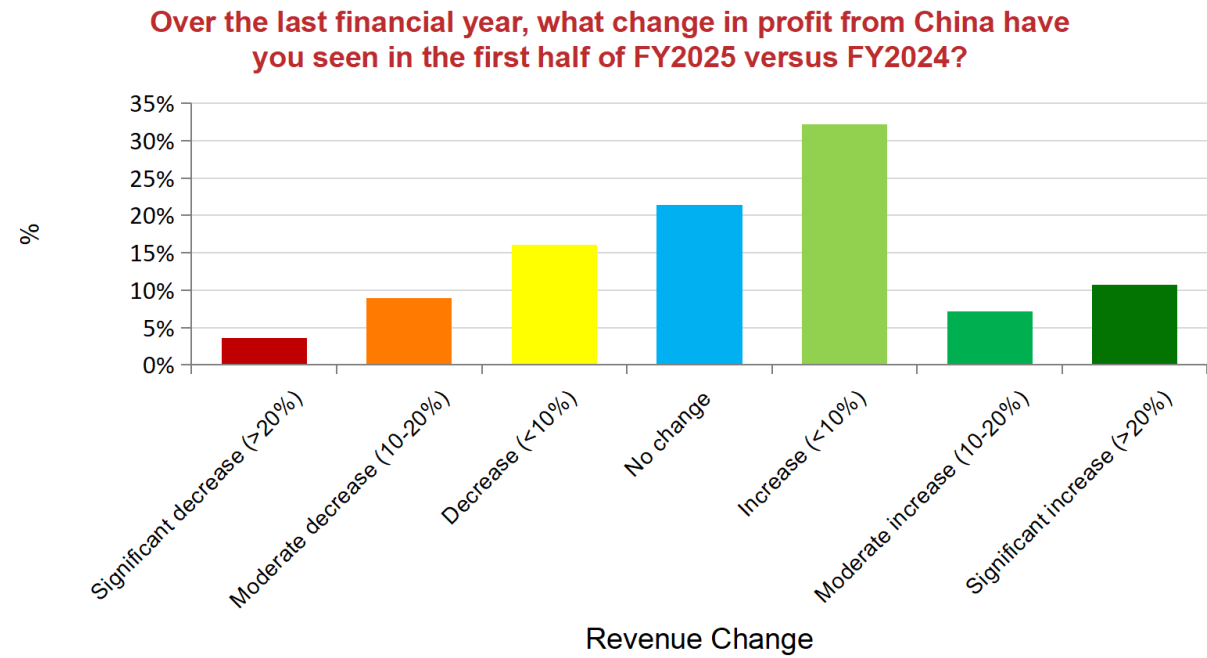
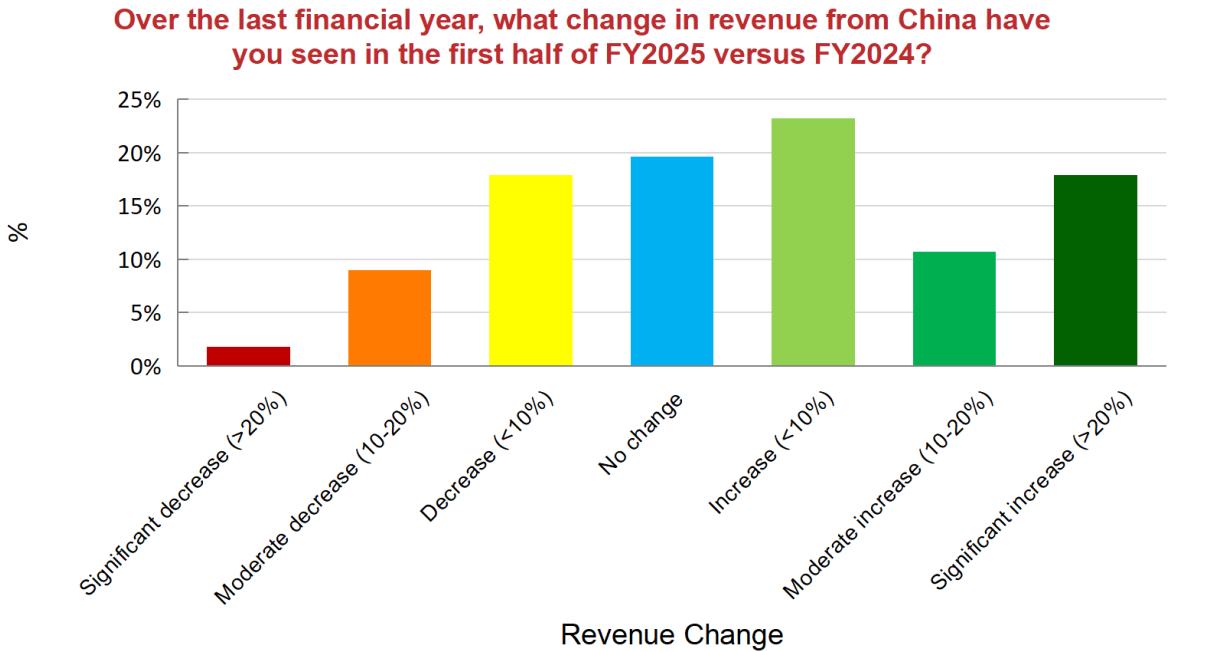
How do you expect your organisation's investment in China to change over the next three years?



Aligning with the results above, 80% of respondents maintained or increased their Chinese investments over the last three years, down 5% from the 2024 survey. 80% of companies plan to sustain or boost their investment in the next three years, with only 7% planning a reduction. Seven respondents were "Unsure" about future investment this year, a category with no respondents in 2024. This increase in uncertainty may stem from a more challenging macroeconomic and geopolitical landscape.

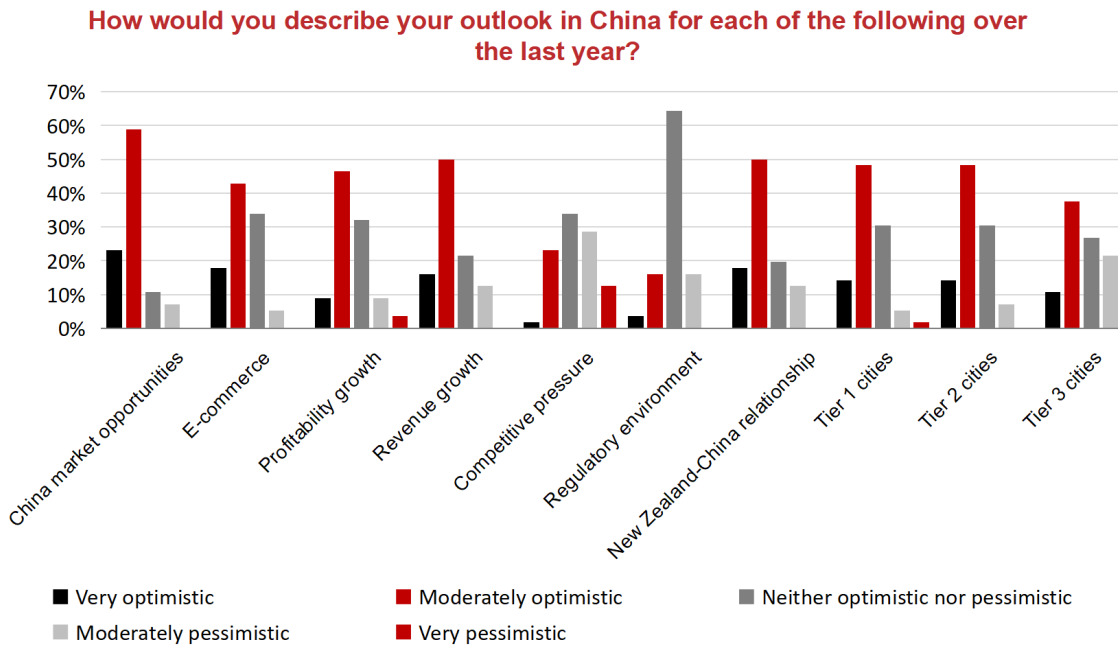


The Chinese market continues to be of significant importance to New Zealand enterprises engaged in in-country operations or exporting to the Greater China market. A substantial 70% of companies surveyed indicated that revenues were either stable or had increased, with a majority (51%) reporting revenue growth relative to the preceding year. Regarding profitability, the results were evenly divided: 50% of companies registered an increase in profits compared to last year, an additional 21% reported unchanged profits, while 29% reported a decline. These findings are broadly consistent with the 2024 survey's optimism figures, where 56% of companies had projected increased profitability. The Chinese market clearly demonstrates profit sustainability for New Zealand companies over the last two years, and market profitability remains the second largest reason for New Zealand companies to be present in the China market.



Looking ahead, two-thirds (66%) of respondents anticipate increased revenue in the coming year, while a majority (55%) predict a rise in profits. Both figures are largely in line with last year's survey results and illustrate continued optimism in the potential of the Chinese market.

These results underscore the sustained opportunities and growth potential within the Chinese market for New Zealand companies. The enduring nature of the optimism figures further illustrates a strong conviction among businesses regarding long-term prospects in China.



Optimism Index Statistical Table

	Very optimistic	Moderately optimistic	Neither optimistic nor pessimistic	Moderately pessimistic	Very pessimistic
China market opportunities	23.21%	58.93%	10.71%	7.14%	0.00%
E-commerce	17.86%	42.86%	33.93%	5.36%	0.00%
Profitability growth	8.93%	46.43%	32.14%	8.93%	3.57%
Revenue growth	16.07%	50.00%	21.43%	12.50%	0.00%
Competitive pressure	1.79%	23.21%	33.93%	28.57%	12.50%
Regulatory environment	3.57%	16.07%	64.29%	16.07%	0.00%
New Zealand-China relationship	17.86%	50.00%	19.64%	12.50%	0.00%
Tier 1 cities	14.29%	48.21%	30.36%	5.36%	1.79%
Tier 2 cities	14.29%	48.21%	30.36%	7.14%	0.00%
Tier 3 cities	10.71%	37.50%	26.79%	21.43%	3.57%



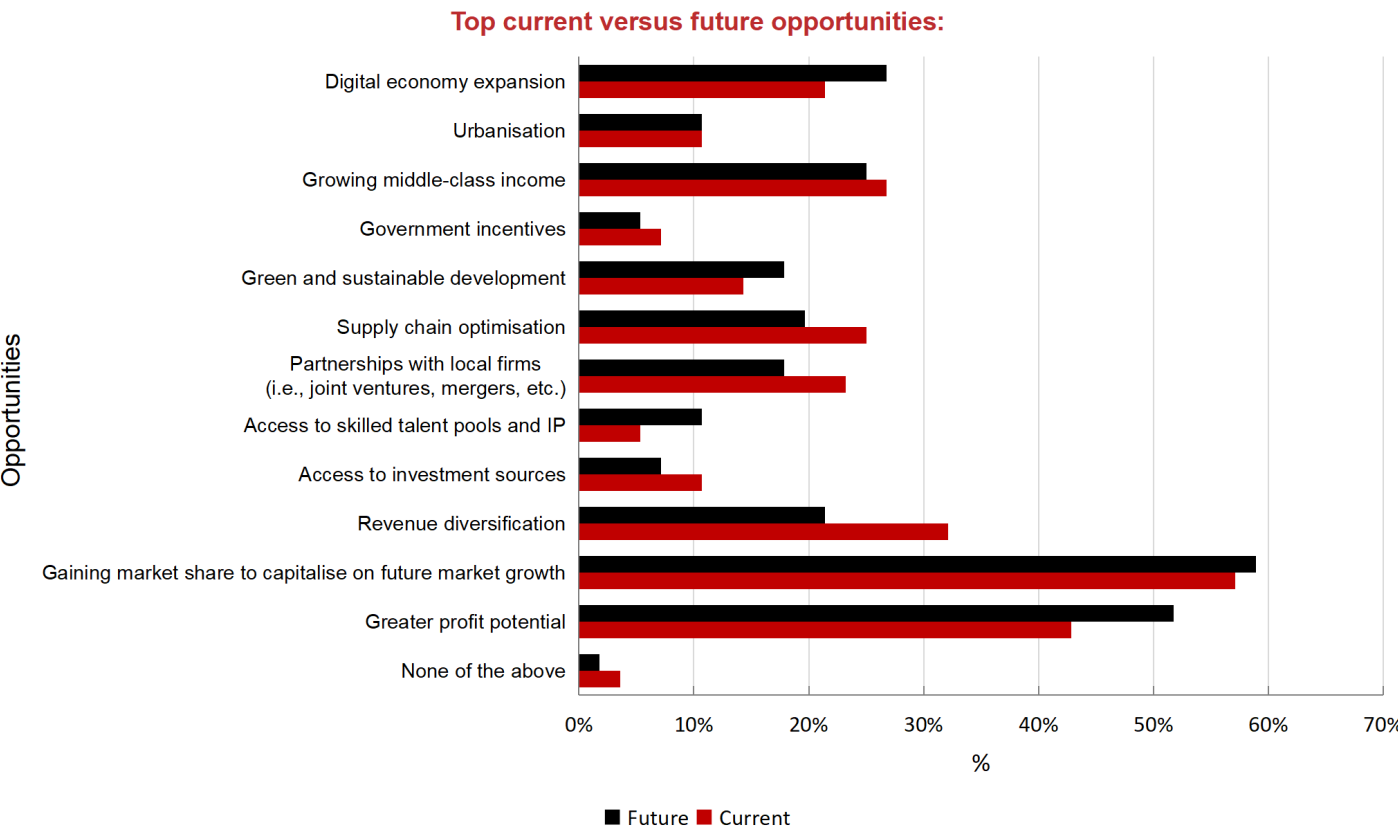
“
EXPANDING
OPPORTUNITIES:
A GROWTH - ORIENTED
OUTLOOK



Regarding current and future opportunities for New Zealand businesses in China, a clear growth-oriented outlook emerges. In both timeframes, over 55% of respondents identified “Gaining market share to capitalise on future market growth” as the top opportunity. “Greater profit potential” followed closely, cited by 43% of respondents for current opportunities and 52% for future opportunities. This perspective aligns with the expanding role of Tier 2 and Tier 3 cities in China’s economic landscape, where early market share gains are seen as key to unlocking future consumer demand.

Supporting this regional shift is the prominence of “Revenue diversification” as the third-highest current opportunity, cited by 32% of respondents. By contrast, only 21% identified it as a future opportunity – a decline of 11 percentage points. In its place, “Digital economy expansion” emerged as the third-ranked future opportunity, selected by 27% of respondents. This contrast suggests that businesses are currently prioritising more geographically diversified revenue streams, while placing greater emphasis on digital growth in their longer-term strategies.

Additionally, “Partnerships with local firms” were identified by 23% of respondents as a key current opportunity and 18% as a future opportunity. This is an approach well-suited to enabling entry and operational success in Tier 2 and Tier 3 cities, where local knowledge and networks are essential. This highlights the growing importance of localisation for New Zealand businesses that recognise the value of local expertise, relationships, and market insight in driving expansion into emerging regional markets.

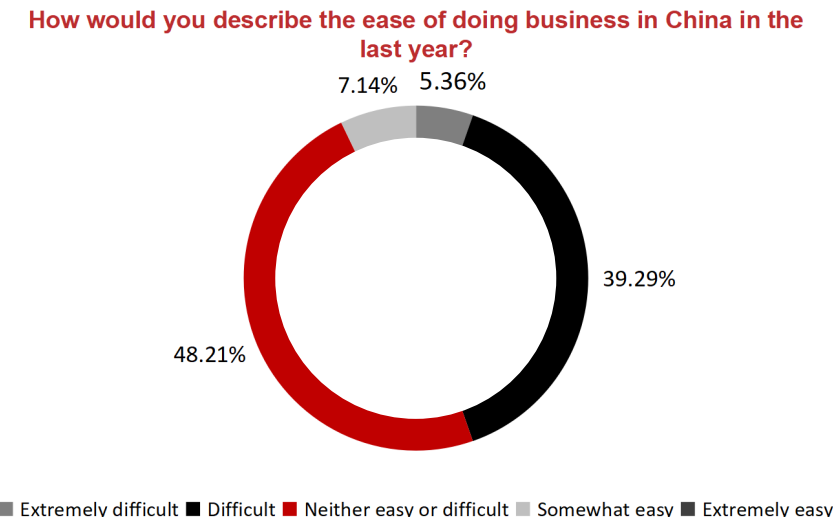


Beyond expansion into new cities, partnerships with local firms also appear to be playing a growing role in the supply chains of New Zealand businesses. Notably, the proportion of companies producing or sourcing goods within China for the Chinese market rose sharply from 7% in 2024 to 20% in 2025. This shift underscores a broader trend toward localisation.

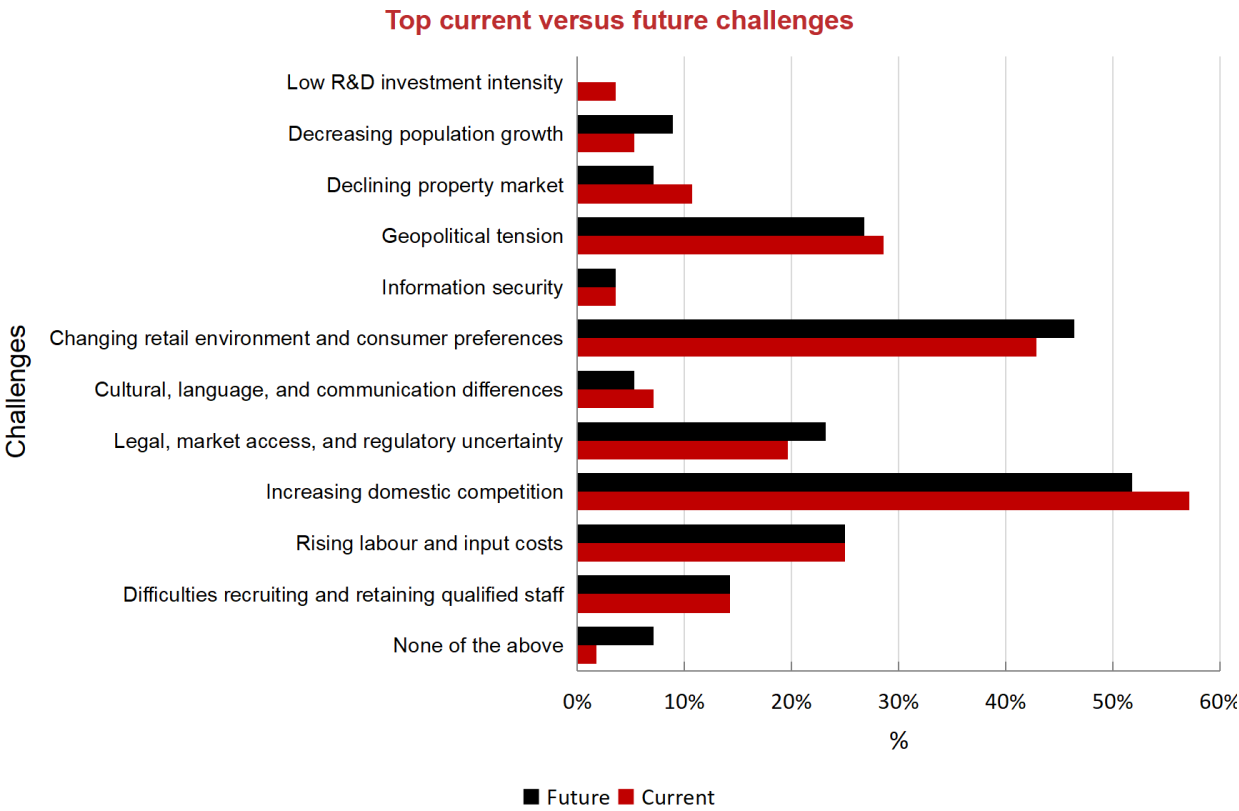
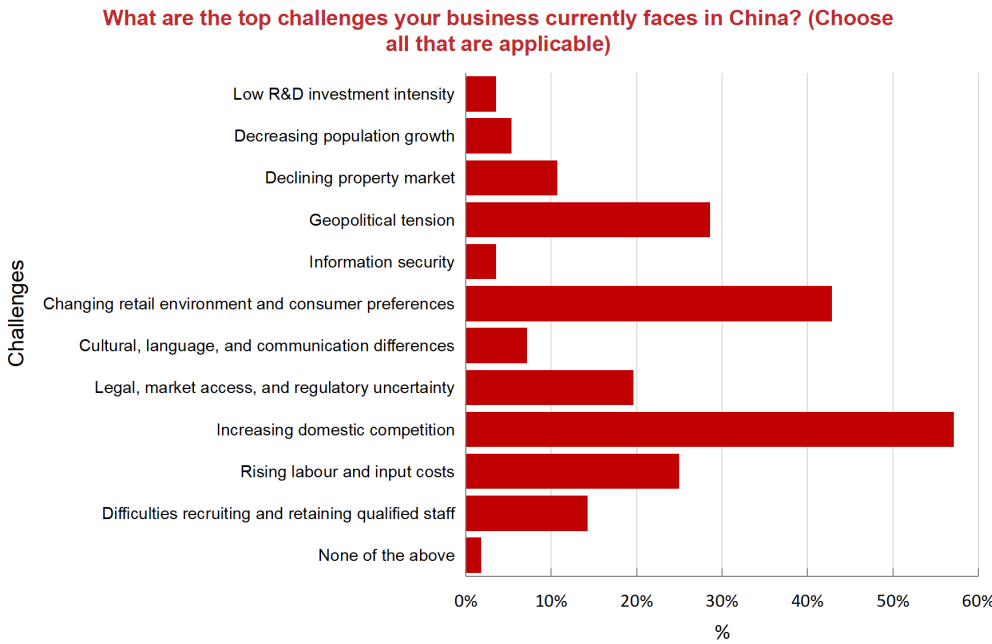


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**BUSINESS
CHALLENGES:
AN ECONOMY
GROWING
AND
CHANGING**

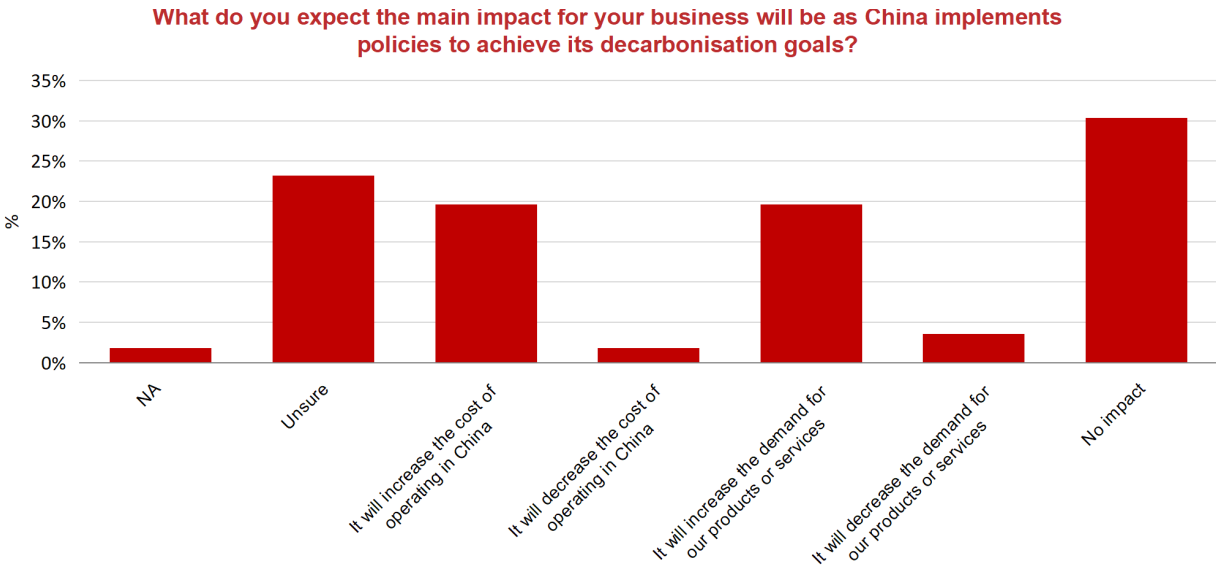
Moving on to the challenges businesses currently face in the Chinese market, the "ease of doing business" data reveals a consistent picture. The percentage of businesses reporting operational difficulties in China remained almost constant at 44%, compared with 45% of respondents in the 2024 survey. A significant development is the reduction in businesses selecting the "Extremely Difficult" category, which fell by more than half from 11% to 5%. This potentially signals gradual improvement in the local business environment and improvement in China's legal and commercial infrastructure.



This year, the top three challenges for New Zealand businesses remain domestic competition (57%), a challenging retail environment and shifting customer preferences (43%), and geopolitical tensions (29%). Beyond these, rising labour and input costs present another significant hurdle to business, reflecting increased costs both in China and domestically due to New Zealand's high inflationary period and increasing labour costs as China moves towards the higher end of a middle-income country. Looking ahead, while companies anticipate these issues will persist, concern about the evolving retail landscape and customer preferences is particularly pronounced when thinking forward to future investments, with 47% citing this as a worry. This concern likely reflects ongoing transformation in the Chinese economy, including the emergence of new retailers and changes to e-commerce platform models.



Looking to sustainability and ESG (Environmental, Social, and Governance), New Zealand companies are divided in their expectations. Twenty percent anticipate increased operating costs in China due to ESG considerations, while another 20% expect ESG to drive greater demand for their products and services. Furthermore, 30% believe these factors will have no impact on their business. This mixed outlook may indicate both a degree of ESG preparedness among New Zealand companies and prevailing uncertainty about how ESG policies in China might be mandated by government.





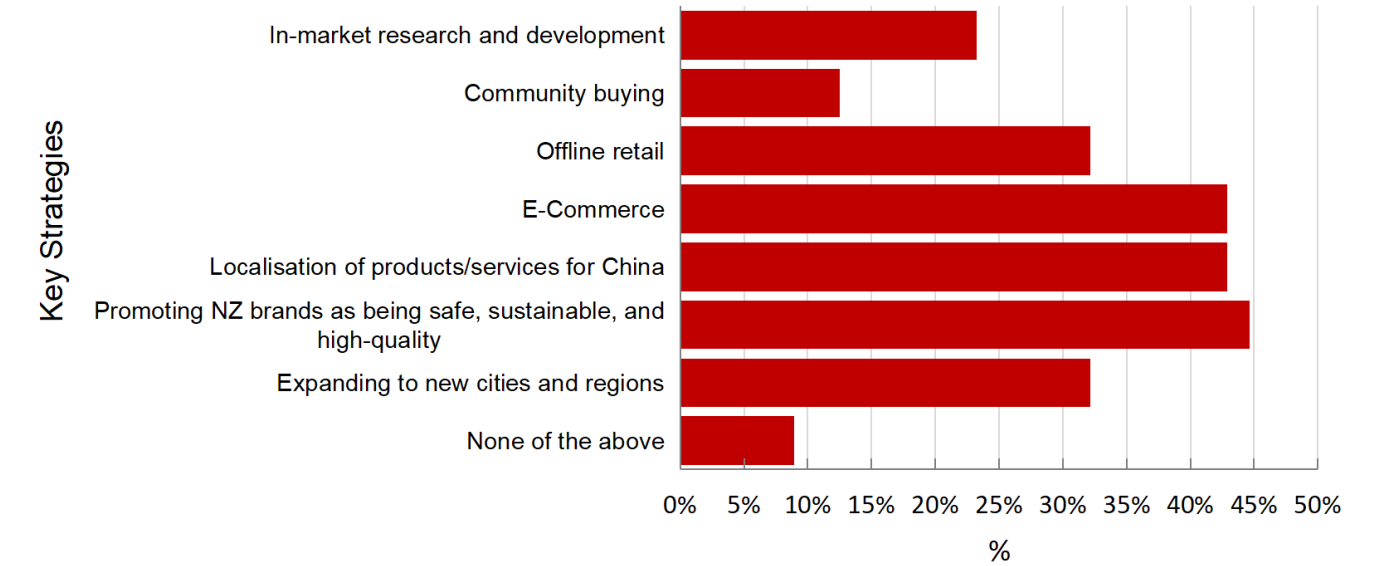
**FOCUSED AND
FORWARD:
INSIDE NZ BUSINESS
STRATEGY IN CHINA
AND BEYOND**

Areas of Strategic Focus for New Zealand Business:

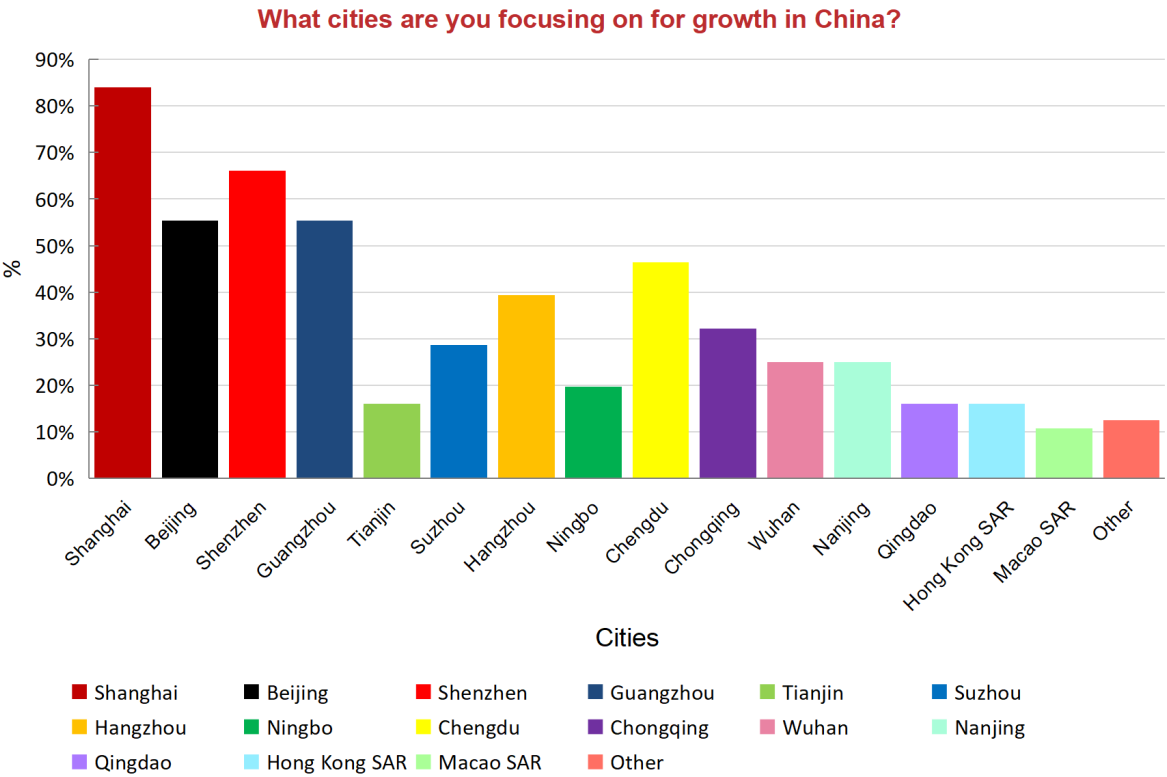
This year’s focus areas provide valuable insights into the evolving strategic priorities of New Zealand businesses both within China and across global markets.

Reflecting the increasing competitiveness of the Chinese market, over 40% of respondents identified “Localization of products”, “E-commerce”, and “Promoting New Zealand brands as safe, sustainable, and high quality” as key areas of operational focus. By comparison, “Expanding to new cities and regions” was a slightly lower priority, selected by 32% of respondents.

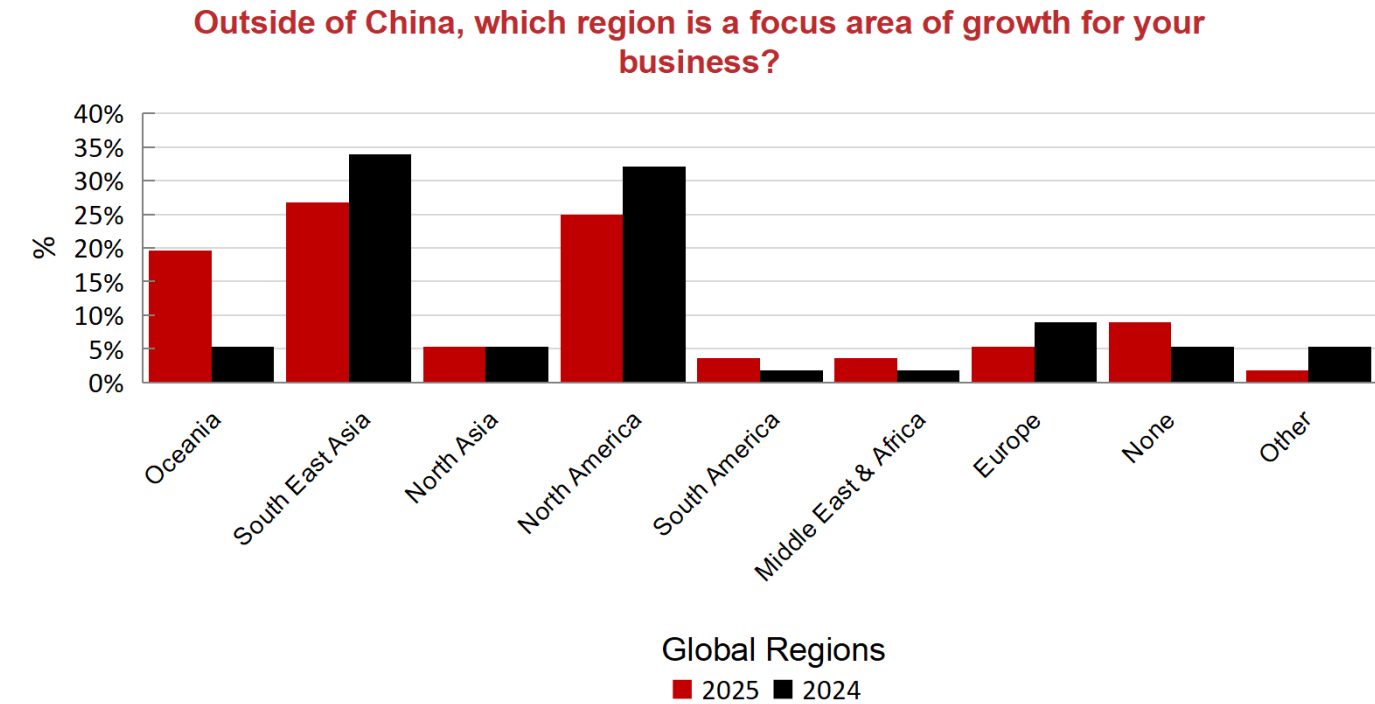
Which of the following are key strategies that your organisation is focusing on?



At first glance, the relatively lower emphasis on regional expansion appears surprising, especially given the rising optimism around opportunities in lower-tier cities, and the fact that this was ranked the top-ranked opportunity by 37% of respondents in 2024. However, a new question introduced in this year’s survey may offer clarity. When asked which cities they are targeting for growth, 84% of respondents pointed to Shanghai, confirming its continued dominance as a growth hub. Shenzhen followed with 66%, likely buoyed by its reputation for business-friendly policies. Meanwhile, the Chengdu–Chongqing cluster in Southwest China is emerging as a new growth frontier, with 46% of respondents focusing on Chengdu and 32% on Chongqing – reflecting the region’s rising middle class and comparatively lower household debt. Taken together with the other cities shown here, these results suggest that while expansion into new cities remains a key strategy, it is already well underway and increasingly targeted toward Tier 2 and Tier 3 markets.

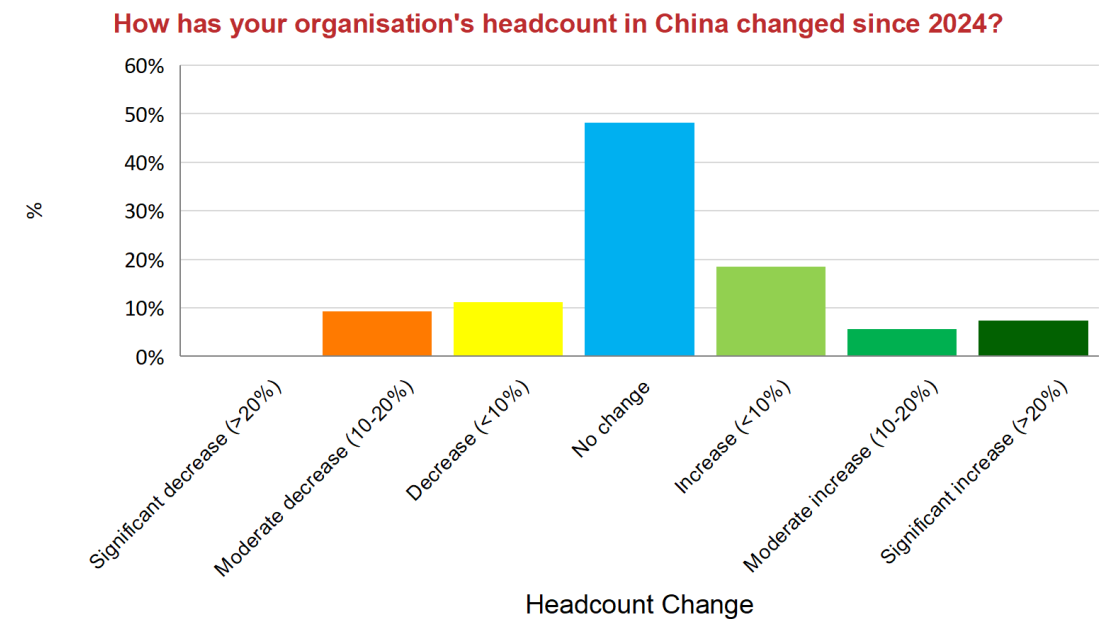


Outside of China, New Zealand businesses appear to be adopting a more risk-averse focus to regional market growth compared to last year. Focus on “Oceania” rose sharply, increasing by 15 percentage points to 20% in 2025, up from just 5% in 2024. In contrast, “North America” and “South-East Asia” experienced declines of 8 and 7 points respectively, though both remain leading areas of interest at 25% and 27%. This shift may reflect a strategic regional pivot, but it also aligns with the higher proportion of New Zealand-based businesses in this year’s sample. Regardless, the change in regional focus suggests a more cautious global posture among New Zealand firms.



Staffing and Headcount Changes:

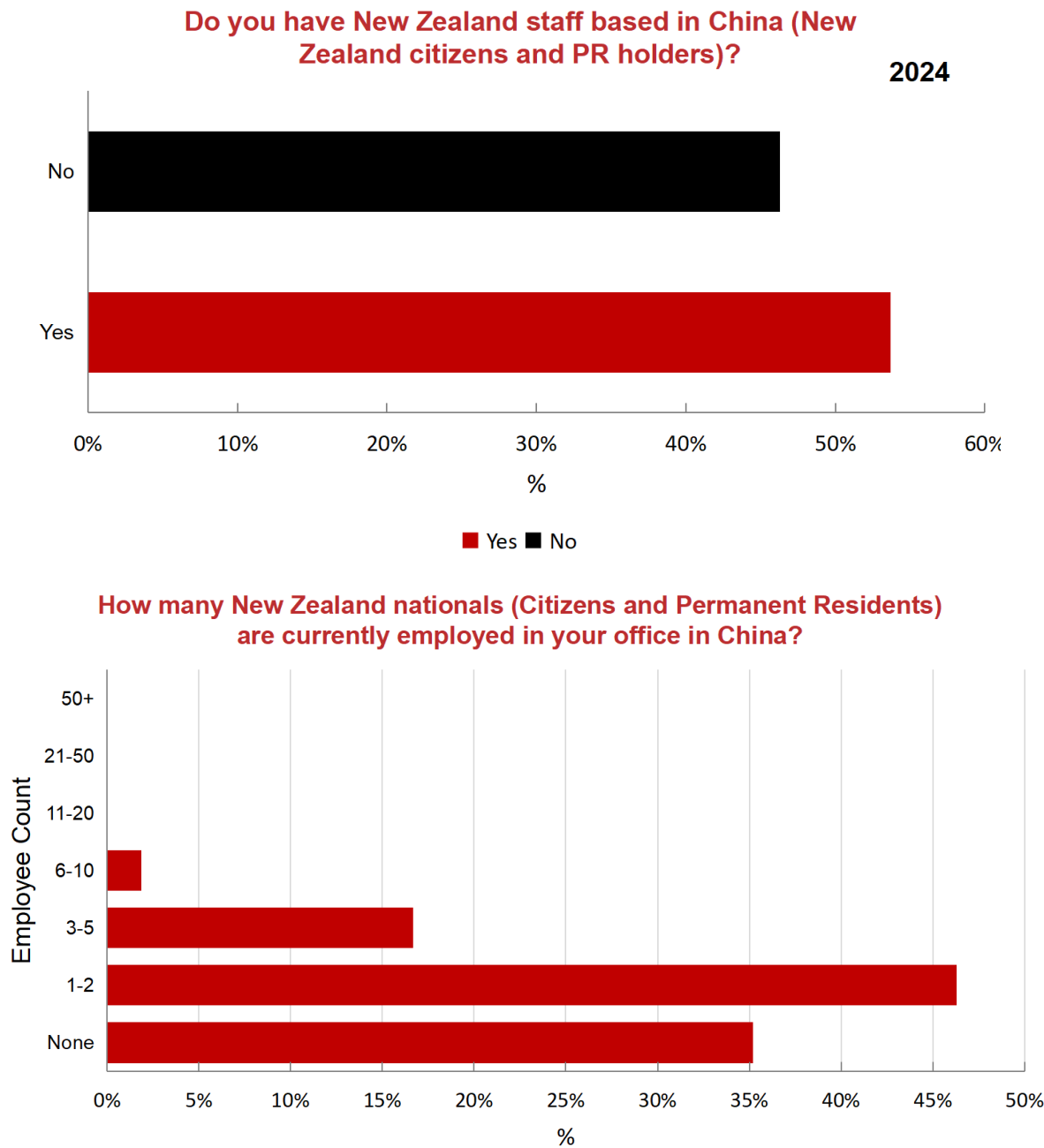
As a key indicator of business confidence and growth, changes in staffing levels show some positive signals for New Zealand business. Since 2024, headcount has remained stable for nearly half of all respondents, indicating a level of operational consistency. Looking ahead, however, expectations for 2025 suggest a more optimistic trend. Over half plan to increase staff to some degree, while 29% expect no change, and just 7% of companies anticipate reducing headcount. Although most of those expecting growth foresee only modest increases, the overall direction points toward cautious optimism, with businesses preparing to scale up with improving conditions.



2024

2025

Regarding workforce composition, the 2024 survey asked whether companies employed New Zealand staff in China. This year, we went a step further to ask how many they employed. In 2025, 36% of respondents reported having no New Zealand staff in China, a change from 46% in 2024, reflecting an 11-point decrease. Among those who do employ New Zealanders, the majority have only one or two Kiwi employees on the ground.

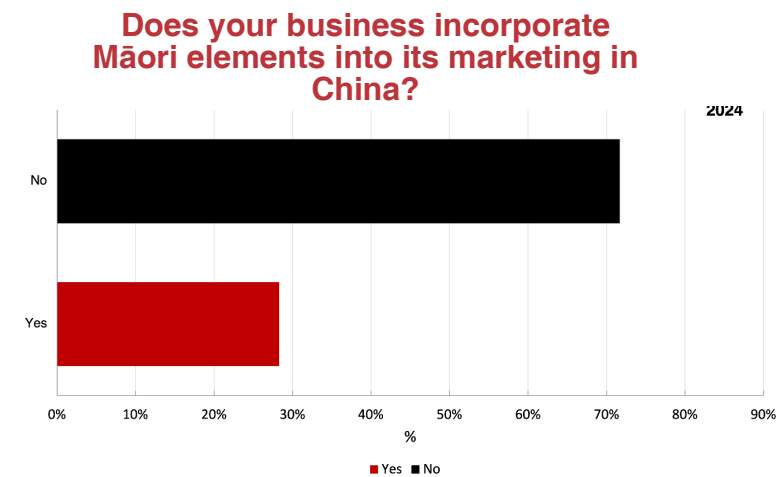
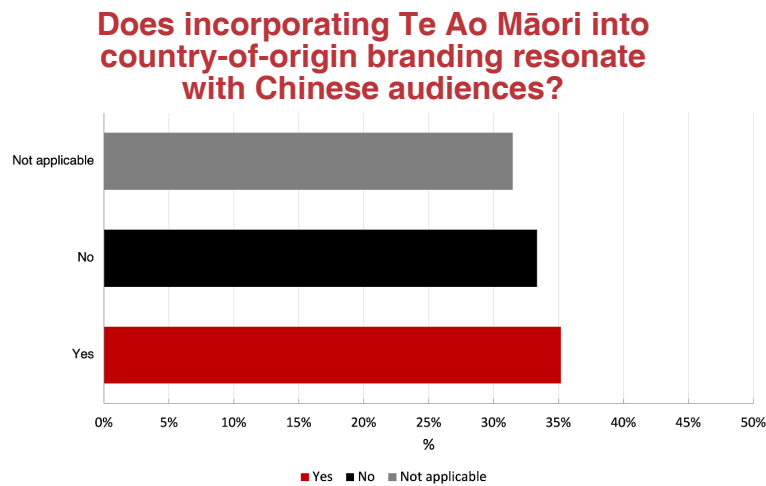
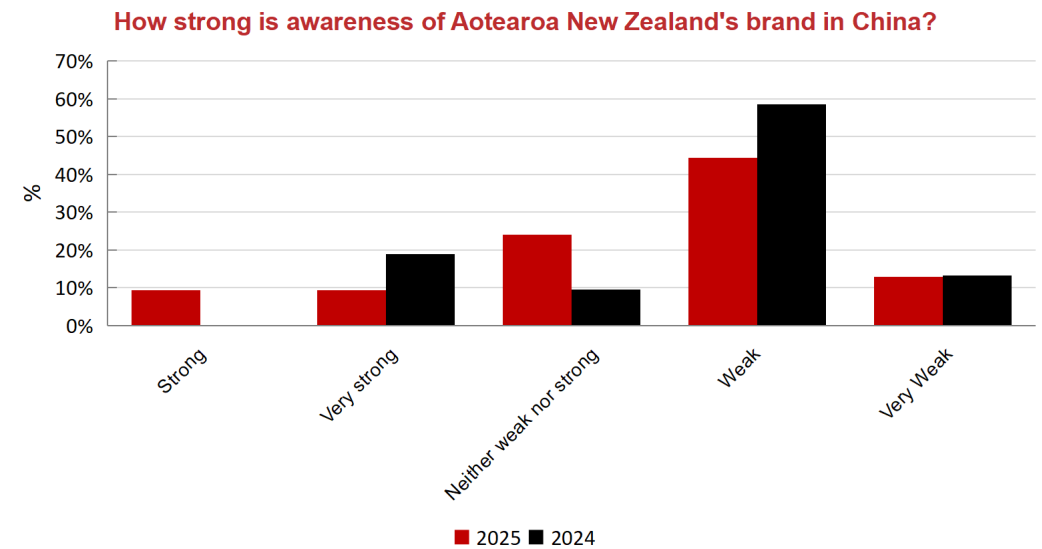


When asked about the challenges of employing New Zealand staff in China, the most frequently cited barriers included language and cultural gaps, limited market understanding among New Zealand-based personnel, and the high costs associated with expatriate staff compared to local hires. These challenges underscore a broader issue: a perceived lack of China-specific expertise in the New Zealand workforce and ongoing difficulties navigating China’s complex and often costly visa system for foreign employees. Together, these factors reinforce the continued importance of localisation and the strategic value of hiring local talent in-market.



HOLDING STRONG YET SHIFTING VIEWS: THE CHANGING NZ BRAND STORY

The strategic value of the New Zealand brand in China continues to generate mixed views among New Zealand businesses operating in the market. While a majority of respondents still report “**strong**” or “**very strong**” brand awareness, this year’s results point to a softening consensus. The proportion describing awareness as “**strong**” fell from 59% in 2024 to 44% in 2025, while those selecting “**neither weak nor strong**” rose by 15 percentage points to 24%. Most significantly, perceptions of the brand as “**very weak**” increased from 0% to 9%, suggesting that the strength of the New Zealand brand may be more context-dependent than previously understood.



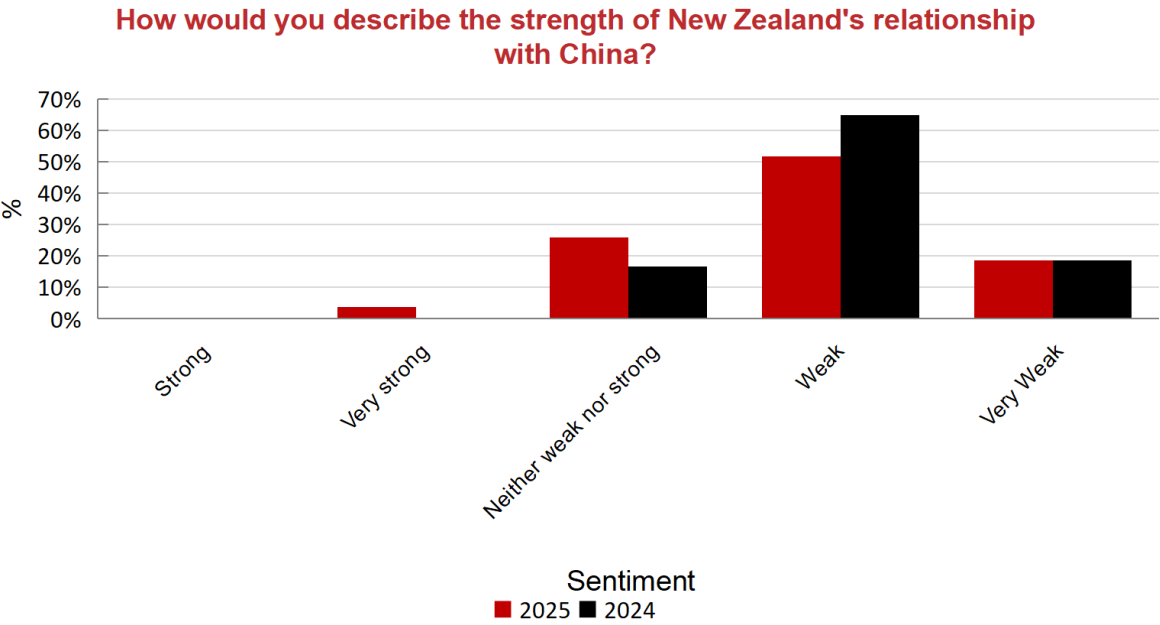
To further assess the perceived value of the New Zealand brand, this year’s survey explored the resonance of Te Ao Māori as a country-of-origin branding element among Chinese audiences. This represents a shift from the 2024 survey, which focused on whether Māori elements were actively used in respondents’ marketing strategies. The contrast in findings is notable: while 72% of businesses did not incorporate Māori elements in 2024, 35% of respondents in 2025 believe such elements resonate with Chinese consumers. This gap points to untapped potential in employing Māori cultural identity as a distinctive branding asset in China, if appropriate to do so. Additionally, the proportion of Māori-identifying businesses in the sample nearly doubled from 8% to 14%, highlighting growing opportunities to capitalise on unique cultural positioning.



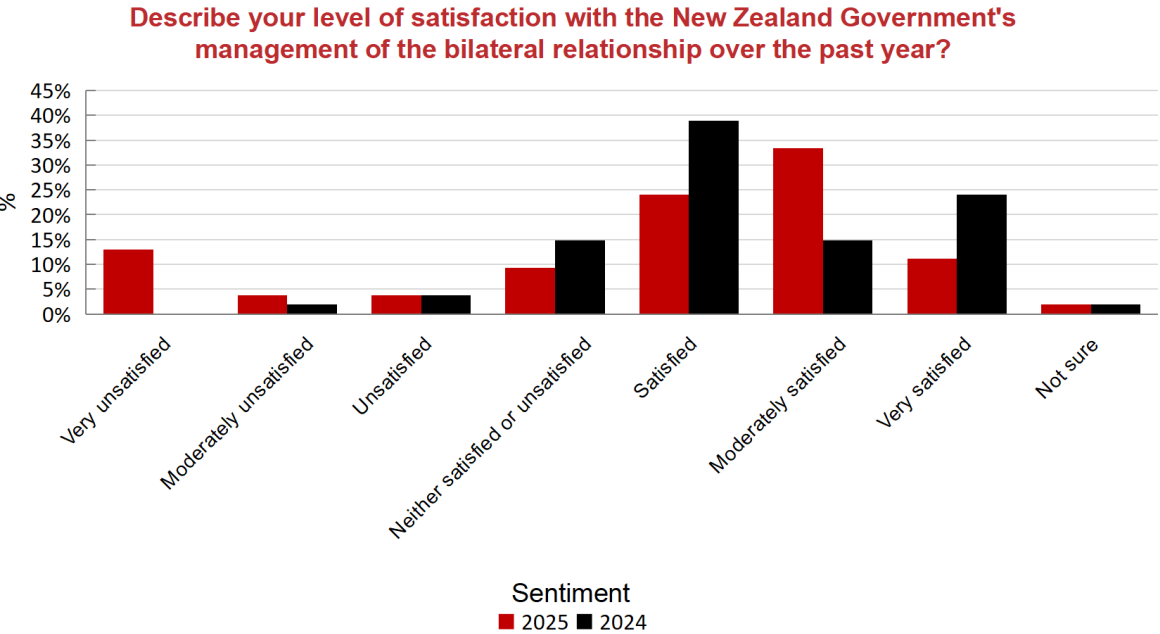
NEW ZEALAND - CHINA
BILATERAL
RELATIONSHIP:
STRONG
BUT
SENSITIVE



In the current unsettled geopolitical landscape, the bilateral relationship between New Zealand and China holds particular significance for businesses, especially those exporting internationally. Within China, geopolitical dynamics can significantly influence trading conditions and consumer behaviour. Our survey directly addressed this, asking: “Is the strength of New Zealand's relationship with China important for your organisation's success in China?” An overwhelming 70% of respondents affirmed its importance. While a majority (70%) still perceive the bilateral relationship as strong, this figure has declined by 14% since last year’s survey. Notably, two respondents described the relationship as weak, compared to none in 2024. These data points suggest that businesses are sensitive to perceived shifts in the bilateral relationship.



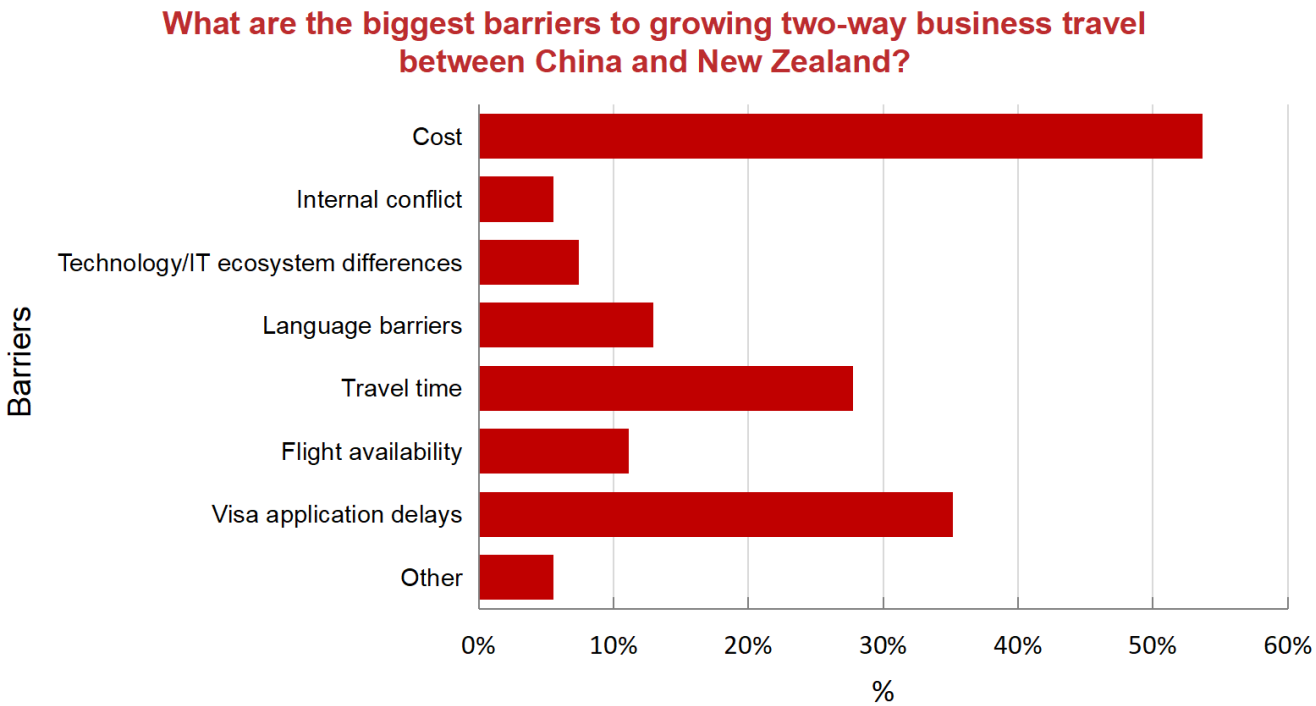
This year, the survey also tracked respondent satisfaction with both the New Zealand and Chinese governments' management of the bilateral relationship. Satisfaction with the New Zealand government's handling of this relationship fell by 9 percentage points, from 78% in 2024 to 69% this year, with 20% of respondents now expressing dissatisfaction. The proportion of those “very unsatisfied” increased significantly, with 12% selecting this option compared to none last year.



This is the first year the survey has tracked respondent satisfaction with the Chinese government's management of the bilateral relationship. A significant 78% of respondents indicated satisfaction with the Chinese government's handling, while only two respondents expressed dissatisfaction.

The high levels of satisfaction with both governments' management of the NZ-China relationship (69% for NZ, 78% for China) likely reflects the benefits of a strong and functional Free Trade Agreement (FTA). Now in its 17th year, the FTA ensures that 99% of New Zealand exports enter China tariff-free and is supported by robust, working-level communication channels designed to address issues faced by New Zealand exporters.

People-to-people exchanges are fundamental to a healthy commercial relationship. This year, NZBRiC has advocated on behalf of its members to improve New Zealand's visa settings for Chinese investors, board members, customers, and staff associated with New Zealand companies. According to our survey, the primary barrier to two-way business travel between China and New Zealand is cost, cited by 54% of respondents. Visa application delays were the second most significant issue, identified by 33%. With New Zealanders now benefiting from visa-free access to China and New Zealand visa fees now the highest of all M5 countries, there may be a perception of a lack of reciprocity from the Chinese side regarding New Zealand's visa processes, potentially compounded by a lack of clarity in the application system, which could contribute to delays.



KEY RECOMMENDATIONS

Business

Grow beyond major hubs to access new opportunities and capture rising demand

New Zealand businesses should continue expanding into Tier 2 and Tier 3 cities to capture early market share and tap into rising consumer demand. These emerging hubs are increasingly attractive due to their growing middle class and greater disposable income, driven by lower living costs. Diversifying into these regions aligns with a clear growth-focused outlook and positions businesses to benefit from long-term market potential. Furthermore, this is a proven strategy, with businesses already expanding into new cities expressing strong optimism in their future success.

Improve understanding of the changing retail environment and engage with market research firms

In a rapidly evolving retail landscape with shifting consumer preferences, leveraging current market research is crucial for optimizing marketing spend and planning future investments. We recommend that businesses prioritize market research focused on consumer buying behaviour. This will enable firms to identify emerging trends, more effectively target consumers, and select channel partnerships offering the best return on investment.

Implement policies that enhance mutual cultural and market understanding

To support stronger cross-cultural integration in the workplace, businesses should implement policies that foster a process of mutual localization. This means encouraging New Zealand staff to deepen their understanding of the Chinese language, market dynamics,

and business practises, while also equipping Chinese employees with insights into New Zealand's values and working culture. Insights disseminated from our members show that bridging these knowledge gaps enhances collaboration, reinforces brand power, and improves overall operational performance across teams.

Differentiate through culturally authentic Te Ao Māori branding

Where culturally appropriate, New Zealand businesses should consider leveraging Te Ao Māori branding as a distinctive point of differentiation in the China market. As noted earlier in the report, few companies currently use Māori elements in their branding, yet more New Zealand businesses are recognising its resonance with Chinese audiences. This discrepancy provides potential opportunity to stand out in a crowded and competitive environment, particularly for Māori businesses entering the market.

Government

New Zealand Government – Promote and Clearly Communicate New Zealand Values in China to Support New Zealand Business

Respondents identified increased government support in promoting New Zealand goods and services as the most critical need for success in China. Openness, innovation, and commitment to community are core cultural values to New Zealand that genuinely resonate with Chinese consumers but remain under-leveraged as points of differentiation. A more visible and values-driven NZ brand campaign will enhance brand value, build trust, and help New Zealand businesses stand out in an increasingly competitive market of foreign companies.

New Zealand Government – Improve Visa Environment for Chinese Travellers

To enhance two-way business travel, the New Zealand Government could improve access to New Zealand through several key initiatives. These include granting NZeTA access to holders of other M5 country visas, introducing an urgent 48-hour visa processing option at an additional cost, and providing clearer guidance to help New Zealand businesses navigate the visa application process for their Chinese partners. NZBRIC will continue to collaborate with Immigration New Zealand on implementing these practical measures.

Chinese Government – Continue to Improve “National Unified Market” Policy Implementation

As New Zealand companies expand into China's Tier 2 and Tier 3 cities, the development of a unified national market environment is essential. China's "Unified National Market" policy, aimed at dismantling local protectionism and market segmentation across various sectors, is important because it provides the policy clarity, ease of access, and clear lines of accountability necessary for businesses to operate confidently. This framework offers a crucial sense of security for New Zealand businesses venturing beyond the traditional entry points of Shanghai, Beijing, Guangzhou, and Shenzhen.

New Zealand and Chinese Governments – Continue to Fully Implement the New Zealand China FTA

We recommend the continued, robust implementation of the NZ-China FTA, focusing on three key areas: ongoing engagement with the business community, maintaining strong working-level communication channels, and actively streamlining processes. Both governments should prioritize the digitization of trade documentation wherever possible. This is particularly critical for New Zealand's exporters of perishable goods, as reducing time spent in port waiting for clearance directly enhances

product quality and profitability.



New Zealand Business Roundtable in China | 新西兰中国商业圆桌会

About Us

The New Zealand Business Roundtable in China is a non-profit organization that brings together industry, corporate, and individual members who share a common interest in the success of the New Zealand/China trading relationship. Our goal is to promote mutual business interests and advance key trade sectors in the New Zealand and China trade relationship.

As a collaborative network of key business and government leaders in the New Zealand-China relationship, we strive to be the leading voice and advocate on New Zealand-China trade matters. Our members represent a wide range of sectors from New Zealand, including food and beverage, services, cosmetics, technology, travel, HR, FMCG, health, and more.

In the past few years, NZBRiC has focused on collaborating and supporting NZ businesses and their teams through various challenges created by ever-changing responses to the pandemic. From 2023, we have moved into our post-COVID recovery phase with an emphasis on advocacy, representation, and providing insights to our members. We are dedicated to advancing the interests of our members and promoting a successful New Zealand-China trading relationship.



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