



# Growth levers insight report

10 essential levers for sustained business growth

# Executive summary

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## Welcome to the first BNZ growth levers insight report



**Brandon Jackson** GM, Growth Sectors BNZ

After emerging from its deepest per-capita recession since the global financial crisis, New Zealand faces an important juncture. While the economy is starting to recover, New Zealand businesses face intensifying competitive pressures in an increasingly challenging international environment. This creates both risks and opportunities, with the advantage going to businesses that can adapt and compete effectively.

In this context, understanding what drives resilient and sustainable growth becomes critical. New Zealand's struggle with this is clearly reflected in our productivity performance – whole-economy productivity averaged just 0.2% annually over the last decade compared to 1.4% between 1993 and 2013<sup>1</sup>, highlighting the urgent need for businesses to focus on the right growth strategies.

From our privileged position working alongside leading New Zealand businesses, we've observed that the most successful companies consistently focus on 10 essential growth levers. When these levers are used together, they create a powerful framework for long-term, sustainable success.

To understand how widely these practices are adopted and where the biggest gaps exist, we conducted a survey, receiving responses from just over 1,000 business customers, and studied six high-growth companies in depth.

Our findings reveal both encouraging foundations and clear gaps in how businesses approach growth. Customer focus (49%), Operational efficiency (38%), and People and culture (35%) are the key levers cited by businesses that have driven their growth to date – strong fundamentals that show businesses are building deep relationships with customers, streamlining operations to deliver value efficiently, and investing in their people as a competitive advantage.

However, there's a telling gap in the areas that drive breakthrough growth. Innovation scored just 13% to date and only 17% looking forward – a significant underinvestment in exactly what's needed to accelerate growth. Meanwhile, Market understanding and Professional advisors ranked lowest at just 6% and 9% respectively, despite successful companies consistently using market insights and external expertise to accelerate growth and navigate complexity.

In our view, this gap explains much about New Zealand's growth challenge: while businesses excel at operational fundamentals, we are too often missing the transformational levers that drive step-change improvements and sustained competitive advantage.

New Zealand's size gives us a unique advantage here – we're only ever two or three phone calls away from world-class expertise. The successful companies we interviewed leverage this connectivity, treating innovation and expert advice as growth investments, not costs.

In this report, you'll find detailed analysis of all 10 growth levers, real-world examples from six successful New Zealand companies, and a practical framework for assessing your own business priorities.

BNZ Growth Sectors team's mission is to grow New Zealand's prosperity by growing New Zealand businesses and their people. I want to thank all the businesses who took part in our survey – and thank the founders who gave their time and insights during interviews. Your stories are thought-provoking and inspiring.

If anything in this report strikes a chord and you'd like to explore how BNZ can support your business growth, we'd love to hear from you. On page 23, you'll find how to connect with us, our doors are always open.

Best regards,

Brandon Jackson  
GM, Growth Sectors BNZ

<sup>1</sup> treasury.govt.nz (page 4)

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## About the growth levers

The BNZ Growth Sectors Team has identified the 10 key levers that drive long-term, sustainable business growth. These levers aren't ranked or used in isolation – they work best when applied together, creating a growth leadership matrix that fosters or initiates smart, resilient growth. The best businesses know which levers they have to "pull" and when to pull them.

### Vision and goals

Aspiration creates targets. The businesses that grow well have a clear vision and well-defined goals. Vision aligned to purpose and goals aligned to vision, helps guide decisions, avoid distractions and stay on course – even as challenges arise. A strong long-term vision, paired with practical short-term goals, supports both focus and flexibility. This also helps shape market positioning, drive efficiencies and attract top talent.

### Strategy and business model

What you offer may not be unique, but how you deliver it can be. A comprehensive strategy aligned to purpose gives your business a roadmap to follow, while your business model determines how effectively you turn ideas into results. Successful businesses keep their strategy and business model under review – especially as new technologies or market shifts emerge – and relentlessly execute it. A well-aligned model also helps deploy resources in smarter ways and unlock new growth pathways.

### Funding and capital

New Zealand businesses are known for doing a lot with a little. But growth often requires more than just reinvesting profits. Grants, loans, equity, and cashflow strategies all play a role.

Growth-focused businesses take the time to plan their capital needs – understanding when and why funding is needed. This helps improve efficiency now and makes a strong case for future investment. They also seek expert financial advice to balance debt, equity, and working capital effectively.

### Innovation

Innovation shows up in many forms: new business models, breakthrough products, smarter processes, or fresh ways to engage customers. It also has many benefits from achieving price premiums, strengthening market positioning, and creating lasting differentiation. Growth businesses build a culture that encourages experimentation, learning from setbacks and constant evolution. They also protect what they create, through legal safeguards and strategic IP use, and they highlight their innovations when raising capital or entering new markets.



### Market understanding

Staying close to market trends, policies, and customer sentiment helps businesses to make better decisions and get ahead. Regulatory alignment is a prime example of this, both locally and for exporters. Changing policies, and Free Trade Agreements (FTAs), can make all the difference – from swimming with or against the tide. Growth businesses regularly update their market insights and use them to refine strategies, adapt when needed, and stay competitive. Entering new markets can be challenging but it may also build greater resilience into the business; as one market slows, another can grow.

### Leadership

Astute leadership is critical to managing growth well. Founders and CEOs who succeed have a clear plan, know their numbers, and can balance long-term strategy with day-to-day decisions, and have a plan for the challenge of scaling up their business. They build capable governance and management teams that support growth and act with clarity – especially in challenging times. Feedback loops, clear communication, and decisive action set them apart.

## Operational efficiency

As businesses grow, systems and processes can either help or hinder. We've seen many successful businesses achieve great results by bringing in fresh perspectives - experts who can identify small tweaks to achieve big gains. Growth businesses structure their operations around their purpose, track key metrics closely, and refine as they go. Efficiency is often a matter of alignment, not just effort. Growth businesses that invest in the infrastructure of the business size they want or need to be, ahead of time, are better prepared for the challenges that come with growth.

## People and culture

People drive growth. Growth businesses invest in culture, hire for alignment, and focus on retaining top talent. Training, development, and incentives like share schemes all play a role. The most successful businesses view people as an asset and a differentiator, not a cost - especially in service-based industries where customer experience is shaped by every interaction.

## Customer focus

Knowing your customer is core to any growth strategy. Successful businesses build deep relationships, listen carefully, and evolve their offering based on customer needs and feedback. Many map their customers along an adoption curve, using that insight to decide where to focus next and what changes to make to their product or service.

## Professional advisors

No business has all the answers in-house and these days they don't need to. Growth businesses bring in external advisors when needed - whether for IP, market entry, managing greater financial complexity or strategic planning. Many of our high-performing customers engage advisors to maximise each of the levers in this report at one stage or another. They know when to bring in new expertise and how to align their advisory team with the stage of growth they're in. Whether formally or informally, our growth customers tend to choose (and change) advisors to match the current growth stage and ambition.

### The ten growth levers

The levers that have made the biggest contribution to business growth to date.

- Customer focus - 49%
- Operational efficiency - 38%
- People and culture - 35%
- Strategy and business model - 28%
- Funding and capital - 21%
- Vision and goals - 20%
- Leadership - 16%
- Innovation - 13%
- Professional advisors - 9%
- Market understanding - 6%



Source: BNZ business customer survey, December 2024, n=1,005 total. Respondents selected up to three past factors from the list supplied.

# Survey overview

**BNZ collected responses from approximately 1,000 BNZ business customers who answered a series of questions focused on ten business levers\*.**

The responses came from owners and business leaders from up and down the country. They span various industries, business sizes, and stages.

Responses were collected between the 3rd and 15th of December 2024, from 1,005 BNZ business customers.

## Survey results

Based on a set of 10 factors for growth, respondents were asked to identify the top three that have made the biggest contribution to their business growth to date, and the top three that they expect will make the biggest contribution to their business growth in the next three to five years.

Below are the topline findings, with more information on the data by business life stage, industry, and annual turnover on page 19 and 20.

The top three ranking factors that have made the biggest contribution to business growth to date are Customer focus (49%), Operational efficiency (38%), and People and culture (35%).

Customer focus is credited as the most critical growth factor to date, with nearly half of respondents selecting it (49%). This aligns with many business origin stories where the genesis of the idea is based on an identified customer need or gap in the market.

Operational efficiency (38%) is the second most selected growth factor for businesses to date, highlighting the importance of streamlining processes, cost control, and optimising operations. On page 21 of this report, you will see that Operational efficiency is more important among those in industries such as Agriservices, Forestry and Fishing, Farming, Transport, and Warehousing.

People and culture plays a major role in business growth with a third (35%) of respondents selecting it. We know from our work with leading businesses that people can be a 'make or break' for success.

Strategy and business model (28%) comes in fourth, highlighting the importance of long-term strategic planning. Funding and capital has also played a key role in growth overall (21%), and we see in the breakdowns on page 19 that Funding and capital becomes more important among businesses in a 'Growth' or 'Transforming' life stage.

Innovation has been one of the least cited growth levers of success to date (13%), suggesting a focus on incremental improvements rather than breakthrough innovation. It's also worth noting that innovation is a subjective concept, often associated with technology.



\*BNZ business customer survey used "factors" rather than "levers". We have used these terms interchangeably in this report. Respondents selected up to three past and three future factors from the list supplied.

Which of these factors have made the biggest contribution to your business growth to date?

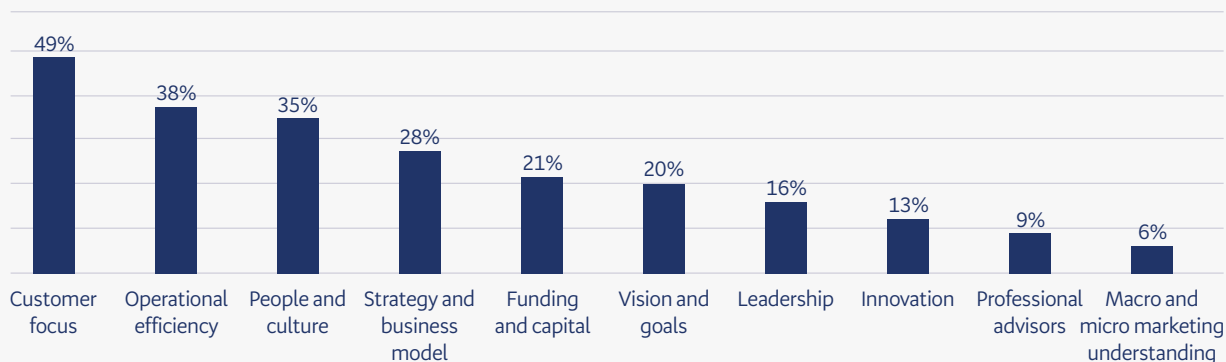


Chart 1: Key business growth factors to date

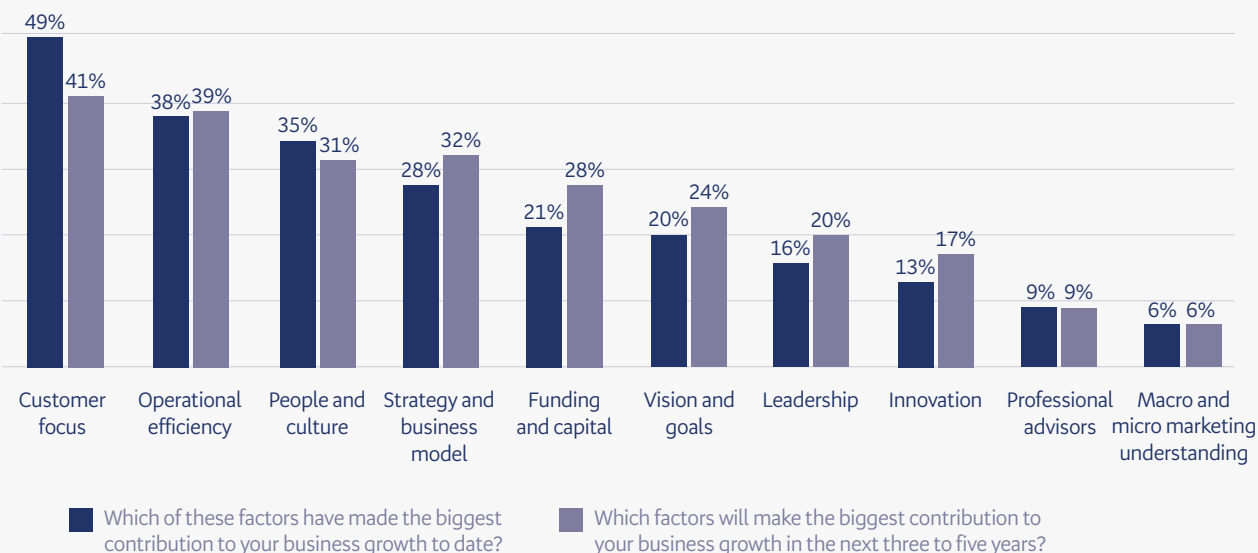


Chart 2: Key business growth factors to date, and in the next three to five years

Source: BNZ business customer survey, December 2024, n=1,005 total. Respondents selected up to three past and three future factors from the list supplied.

We asked which levers would contribute the most to business growth in the next three to five years. Looking forward, responses were similar to those looking back: Customer focus (41%), and Operational efficiency (39%) remained the top two growth levers, but Strategy and business model (32%) replaced People and culture for third place.

Among the most notable increases looking ahead are shifts in Funding and capital (+7pp) and Innovation (+4pp). This may reflect the current economic environment, where rising costs make access to capital more critical, and innovation is essential for differentiation in a competitive environment. These levers are also interconnected for businesses requiring funding for R&D, new technology, and product development.

Cross-analysis of the growth levers shows a strong correlation between past and future selections, suggesting that many business owners believe the levers that have driven growth to date will continue to do so in the future.

		Growth factors future: Which factors will make the biggest contribution to your business growth in the next 3 to 5 years?									
		Customer focus	Operational efficiency	People and culture	Strategy and business model	Funding and capital	Vision and goals	Leadership	Innovation	Professional advisors	Macro and micro market understanding
Growth factors to date: Which of these factors have made the biggest contribution to your business growth to date?	Customer focus	72%	55%	54%	48%	40%	53%	51%	40%	40%	39%
	Operational efficiency	39%	55%	38%	38%	36%	40%	41%	39%	37%	39%
	People and culture	38%	34%	64%	34%	31%	34%	39%	37%	31%	22%
	Strategy and business model	25%	28%	29%	44%	31%	28%	29%	34%	26%	42%
	Funding and capital	17%	20%	18%	22%	49%	21%	20%	20%	19%	25%
	Vision and goals	17%	19%	17%	23%	21%	33%	19%	24%	24%	13%
	Leadership	13%	14%	21%	17%	17%	20%	37%	17%	11%	17%
	Innovation	10%	12%	10%	17%	13%	11%	15%	39%	10%	19%
	Professional advisors	7%	9%	6%	10%	10%	10%	10%	7%	38%	6%
	Macro and micro market understanding	7%	5%	4%	6%	7%	6%	5%	11%	4%	25%

**Table 1:** Growth factors to date, by growth factors in the future: percentage of businesses that selected the same growth factor for both (shaded in blue)

Read as: 72% of those selecting "Customer focus" among their future growth factors also selected this factor as having made an important contribution in the past.

Source: BNZ business customer survey, December 2024, n=1,005 total. Base sizes for future factors range from n=64 to n=413. Respondents selected up to three past and three future factors from the list supplied.





## Business interviews

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To provide deeper insights to the levers behind sustained growth, the BNZ Growth Sectors team carefully selected six businesses to profile. We focused on businesses demonstrating consistent revenue growth over four or more years. These businesses span diverse segments and sectors. By highlighting these examples, we aim to uncover the strategic use of growth levers that drive long-term success.

# Tracksuit

Tracksuit is a dashboard for measuring and communicating the value of a brand. The real-time online tool was launched in 2021 to make brand research easier to understand and use at a fraction of the traditional cost. Currently, Tracksuit tracks over 6,000 consumer brands across five countries.

Co-founder and Co-CEO Connor Archbold shared the top three growth levers that have had the biggest impact to date, and the three that are expected to have the biggest impact in the next three to five years.

## Growth levers to date

### 1. Customer focus

“Instead of launching with a product, we launched a hypothesis. We made a list of 100 marketers, and by the 68th conversation, 11 of them had signed up to be paying customers in our first cohort. We designed and built the simplest version of what they were asking for, and now we’ve expanded the existing product and the business from that foundation.”

The founders ‘bootstrapped’ the business for the first year, not taking venture investment until they had a product validated in the market, being used by customers. This allowed them to focus on customers’ needs without being distracted by investor needs early on.

### 2. People and culture

“The only reason we’ve been able to grow in the way that we have is because we have great people on the team. As founders, early on, we decided that we wanted to put equal energy into the products we were building and the people building them. We deeply value high care and high performance, those things are not mutually exclusive in our view, they are interdependent.”

Connor also cites a transparent culture – an environment where every person understands and contributes to the big picture – as making the workplace an exciting and aspirational place to be.

### 3. Innovation

“We come at everything from a first principles perspective; we question every assumption and then create from the ground up, based on what the actual intention or purpose is. Yes, we are a software company, and our technology is innovative, but what really sets us apart is a lens of innovation on everything.”

## Future growth levers

### 1. Vision and goals

“When we started, we had this lofty north star but not a lot of other details, we were just so busy in the weeds, like we had to do stuff fast – or die. These days, we have put a lot more meat on the bones of our vision and goals, but with the team growing rapidly, it’s important that it is communicated and understood at every level by every single person. This lever, like all of them, intersects strongly with people and culture.”

Tracksuit currently employs 130 people and has offices in Auckland, Sydney, New York, and London. As new geographic regions open, the business will focus on new ways to unite a growing team around its vision and goals.

### 2. People and culture

“We don’t see culture as nostalgia. We believe in growing ourselves and our culture to meet the opportunity at hand. Now that we have global offices, we like to think our culture grows with every person that joins, which means you have to have a high standard and pay a lot of attention to who is joining and influencing that culture.”

Connor describes having a long-term strategy for growing the team via aspirational hires. These start by ensuring there is market noise around the brand and then by building relationships.

### 3. Strategy and business model

“So far, we’ve succeeded through focus; we’ve just done one thing and done it well. We put all of our energy into building the best brand tracker in the world. That’s not going to change, but we’re interested in exploring other associated product opportunities and ways to build on that.”

One example of potential growth is to explore the customer segments that surround Tracksuit’s current customers – the agencies that support marketers, for example. By developing unique products and services for those groups, they would also be supporting their core customers.







Independent Traffic Control is the biggest independently owned traffic management company in New Zealand. With 400+ workers and a fleet of over 180 vehicles, the business operates from sites around the country. The business is 100% Māori and Pacific owned, it has a civil construction arm, a training hub and a cadetship program to serve an industry in need of skilled workers.

Chief Financial Officer and Company Director Piri Kake shared the top three growth levers that have had the biggest impact to date, and the three that are expected to have the biggest impact in the next three to five years.

## Growth levers to date

### 1. Operational efficiency

“Our business is dynamic. We always have a plan, but it will change at the drop of a hat. Plant breakdowns, weather changes, illness, and staff availability are all factors – and they all come at a cost. We have done a lot of work over the years to combat that, and the biggest impact has come from investing in our people.”

Piri explained that while technology has played a role in achieving more operational efficiency, there’s no substitute for the ‘human factor’. Supporting the team to lead and navigate change has enabled the business to run at its best.

### 2. People and culture

“Last year, we had some professional advisors come in and help us to evaluate people and culture. We looked closely at where our resources need to be optimised and how our people can work at their best. This was incredibly useful.”

The business has restructured and invested in a range of reward initiatives and support, including business-funded health monitoring. All of these measures have had a direct impact on productivity and profitability.

### 3. Customer focus

“Everyone’s job is to be customer-focused, but we took the extra step of having dedicated relationship managers in the business. Strong relationships are essential for us, with planners and distributors of work as well as project managers.”

Dedicated customer focus has enabled the business to keep current projects running smoothly, to build pipeline and to adapt to customers’ changing needs.

## Future growth levers

### 1. Strategy and business model

“Market conditions are changing all the time. Auckland is still a big market, but it is contracting at a time when other regions are growing. We’re looking at our strategy and business model to understand how we can change our shape to suit the market, in the most efficient and agile way possible.”

Piri also mentioned an increase in competitors trying to undercut the business. Sometimes, they offer customers a short-term gain, but it usually comes with increased risk. Strategic work that reinforces the value of the Independent Traffic Control brand and service proposition (beyond price) is also a key area of focus.

### 2. Leadership

“The business has relied on the four directors for the last ten years, and while that has been hugely successful for us, the business has matured to a point where we need to structure our leadership and governance for the next ten years.”

Independent Traffic Control has a newly appointed COO. Piri explained that this role has been a strategic executive hire, as part of a plan to redistribute responsibilities among the directors, focus accountability and strengthen the leadership team for the future.

### 3. Funding and capital

“One of our strategies going forward is to leverage financial tools and services better. One example of that is BNZ’s Cash Flow Plus product, this is a funding tool that helps to close the gap on 90-day payment terms, it stabilises cash flow for the kind of expenditure that fuels our growth – like new equipment.”

One of the many growth initiatives in the plan involves taking on new Wellington premises to service the lower North Island. With better utilisation of funds, this plan can be accelerated.





Auror is retail crime intelligence software that connects retailers and police with information to help stop and prevent crime. It allows retailers to record crimes and in-store events after they occur and make that information available to police using a secure digital platform. The technology is currently used by more than 45,000 retail stores and more than 3,000 law enforcement agencies globally.

CEO and Co-Founder Phil Thomson shared the top three growth levers that have had the biggest impact to date, and the three that are expected to have the biggest impact in the next three to five years.

## Growth levers to date

### 1. Vision and goals

“Our vision is all about creating safer communities and that’s a powerful driver for us as a team. We have been really consistent about our vision and then our goals have been shaped by learning and adapting from the previous 12 months or so, to help navigate what’s coming up in the future.”

Phil credits the company’s vision as having a unifying impact on both the team and their key stakeholders, such as retailers and law enforcement agencies.

### 2. Innovation

“Regardless of what you sell, innovation is how you stay ahead. For us, it was a critical differentiator because there were lots of legacy products in the market. We had to show customers why we were different. Why would they trust a startup from New Zealand? To overcome that, we consistently showcased new features and that gave customers confidence – the fact that we were constantly innovating.”

Innovation is also embraced in the business holistically; with shorter working weeks at 100% pay and option plans for ownership stakes, for example.

### 3. People and culture

“People want to work with other great people, if you start with the right mix of people, they will attract more. If you’re spending a big chunk of your time every day at work, you want to be doing that with people you want to hang out with. That then translates across to customers. We have a lot of customers who want to

work closely with the team. By cultivating that environment, you’re no longer a supplier, you become a partner.”

As mentioned above, a strong company vision has also had a big impact on workforce attraction and engagement at Auror.

## Future growth levers

### 1. Leadership

“We’re close to 250 people now and I think an opportunity has emerged to grow a leadership culture, not just among leaders of people, but with all the people in the business. A lot of people have a solid history with us, they know our story, they are inspiring, and they can help to communicate and deliver on our strategy and vision.”

Phil also highlights the importance of stable governance and leadership in a broader market sense, seeing the potential to level up the entire industry for an even greater impact.

### 2. Market understanding

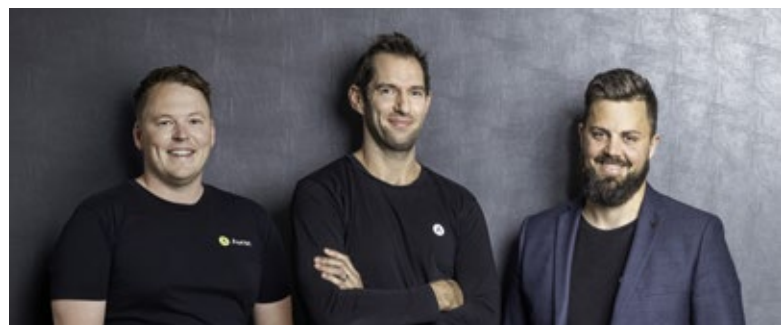
“There’s always something going on within the industry, at a political level and even within the companies we work with. Big enterprise businesses are like a microcosm, they have their own market forces to navigate – that in turn impacts how we work together. Increasing regulation around the use of AI within organisations is a great example of that and one of the key reasons I think this lever is important for us going forward.”

Market understanding is also key from a funding and capital perspective. Phil also mentioned that what investors want, and need has changed significantly in the last few years and will continue to evolve.

### 3. Innovation

“A culture of innovation is essential to our product and our people, they want to keep pushing forward to get to the ultimate vision, in new ways. When we look at our current growth arc, we’re also thinking about how we can innovate to layer on one or two other growth arcs. We want to make sure that we are not only diversifying risk but also creating more opportunities to keep growing and empowering our customers to improve public safety for everyone.”

Phil also cites an increase in competitors trying to replicate or ‘out innovate’ as another key reason why innovation is such an important lever going forward.







Phoenix Recycling Group is the largest privately held metal and battery recycler in New Zealand. Phoenix has successfully built – and integrated – a nationwide recycling service to deliver consolidated solutions for New Zealand’s energy, infrastructure, manufacturing, construction and automotive sectors – all with corresponding sustainability data and emissions reporting for customers.

Business owners and Executive Directors, Hilary West-Reeve and Eldon Reeve have shared the top three growth levers that have had the biggest impact on their business to date, and the three that are expected to have the biggest impact in the next three to five years.

## Growth levers to date

### 1. Vision and goals

“Our vision wasn’t to get big for the sake of it, it was to offer new solutions, for the recycling industry to recover. We were driven to professionalise and upskill the industry to meet future demand.”

In a fragmented recycling market, Phoenix Recycling Group developed a vision for a connected, nationwide offering, aligned with a net zero, circular economy. Fuelled by their vision and goals they moved into an acquisition phase that took the business from 6 to 19 synergistically operated sites within three years.

### 2. Funding and capital

“When we were ready for step change growth, the bank backed us completely because our vision and position set us apart. At the time there was also government support on offer with business lending at a low interest rate. The BNZ went the extra mile to identify and connect us with that too. The combination of that support had a big impact on our growth.”

Eldon and Hilary were able to leverage their credibility, their vision, strategy and business plan to secure funding to support a key stage of their growth – nationwide acquisition.

### 3. Market understanding

“Our vision was influenced by market conditions and then in some ways our vision created the conditions; word was out that we were looking to build a sustainable, nationwide integrated business. This was during the pandemic when vendors had time to think about exiting and they started coming to us.”

Eldon and Hilary also credit a drop in commodity prices as a key shift in market conditions that the business was able to take advantage of – reinvesting savings back into their growth.

## Future growth levers

### 1. Strategy and business model

“Technology including new software is an ongoing opportunity for us, we have identified a new system that we are migrating to, and we expect that will have a significant impact on our current business model.”

The business is constantly evolving to adapt alongside its growth. That necessitates an ongoing evolution of the way business is done, and technology has also been identified as a key enabler.

### 2. Innovation

“We’ve chosen to go early on a few things to be market leading. But how do you make sure the business continues to be sustainable, successful and attracts great people to the team? The answers to those questions are all in the innovation space. We’ve got to make recycling and product stewardship and the circular economy enduring, even sexy.”

Phoenix has a reputation for innovating with several pilot schemes. These pilots have enabled the business to test, learn and go to market with solutions based on real insight. Ongoing trials, data collection and analysis will be key for the business going forward to establish the right services and locations at the right time.

### 3. Customer focus

“Manufacturing, automotive, construction, are all big industries in New Zealand that are electrifying and innovating. They are all going to continue to evolve and we need to remain close to them so that we can offer the right support network that sits in behind them.”

For the Phoenix leadership team, a close connection to key New Zealand industries will be critical to their success in the future.





Spring Sheep is the largest sheep-milking group in the southern hemisphere. With a reputation for quality and sustainability, the business exports a range of sheep milk products to several countries, including China, where the company has established a significant presence.

CEO and Co-Founder Nick Hammond shared the top three growth levers that have had the biggest impact to date, and the three that are expected to have the biggest impact in the next three to five years.

## Growth levers to date

### 1. Vision and goals

“Our vision was to be a world leader in the sheep milk industry. The opportunity was significant: dairy digestion is an issue for 68% of people globally and over 90% of people in Asia. Comparative European dairy countries already have a multi-billion-dollar sheep milk industries, so we knew it was working globally. With New Zealand’s world class innovation, sustainability and farming practices, we couldn’t have been better positioned.”

Nick describes the company’s vision and goals as providing a critical platform of environmental consciousness, social consciousness and economic scalability.

### 2. Innovation

“In the early years, innovation milestones were crucial for us. We created a new breed of sheep – the ‘Zealandia’ – which has taken the annual 60L milk production from a normal New Zealand sheep to over 300L average across the group – with the high performers almost double that amount. This innovation has been a massive enabler of economic viability. We also leveraged innovation as a key component of customer focus, we conducted full human clinical trials that showed sheep milk is more digestible than cow milk and developed a range of infant formula which won a global award.”

Innovation has played a central role in all aspects of the Spring Sheep business, from developing the farming system and processing side of the business to product development.

## 3. People and culture

“The first ten people in a new company define whether it will be successful or not. From the outset, we were clear about our vision and goals but also the key values of our team culture, and I think that had a magnetic effect; we were able to find amazing people who are deeply passionate about bringing Spring Sheep to life.”

At Spring Sheep, potential hires are often given a real-time challenge during the interview process, one that typically necessitates working with the existing team to solve. This interaction and connection with the team are judged equally along with the skills they bring, ensuring both competence and cultural fit.

## Future growth levers

### 1. Strategy and business model

“Some of the tools that get a business through the early stages can become a hindrance in the scaling phase, so it’s important to constantly revisit them. Every stage of growth comes with a new set of challenges and opportunities – ensuring we have the strategy and business model which is aligned to the stage of the business and the environment is crucial.”

Having the right level of resource allocation and a sharp strategic focus was also mentioned, with the importance of saying ‘no’ to anything that’s not aligned.

### 2. Funding and capital

“People sometimes assume that once you’re successful, that’s the end of your capital dynamic, but it’s essentially the opposite. We’ve seen a lot of successful food businesses get off the ground then fall over at the point of scale because they don’t get their equity deployment and infrastructure scaling process right. A big part of our focus is making sure that we are set to scale in a capital efficient way and maintaining focus on deploying our resources on our key milestones.”

A clear strategy and business model was also cited as an essential lever when it comes to conversations with investors and the BNZ.

### 3. Customer focus

“As the business grows, the list of things to manage through scale increases, so we need to proactively prioritise customer focus. A big part of my world is taking time to talk to people buying a product and gathering fresh insight from the people who are selling our product. What’s meaningful to customers and consumers is a shifting landscape that we need to stay connected to.”

The business approaches each new geographic market as a blank canvas. In terms of understanding markets, Nick believes there is no substitute for spending time with retailers, customers and consumers to gain the insights directly.



Fingermark is a technology partner to the Quick Service Restaurant (QSR) industry. Dedicated to developing advanced AI and computer vision technology solutions, Fingermark delivers data and real-time insights to empower decision-making.

Founder and CEO Luke Irving shared the top three growth levers that have had the biggest impact to date, and the three that are expected to have the biggest impact in the next three to five years.

## Growth levers to date

### 1. Innovation

“If you've got an innovative mindset, then even if you get things wrong, you can continue to rebuild and keep going. We've relied on that as a business because ultimately, people will follow you if they believe in your mission. Furthermore, I think our transparent approach to innovation has built empathy and loyalty with customers.”

Luke described how a significant amount of customer-funded innovation has come from a shared sense of mission.

### 2. Customer focus

“We have driven a culture of being customer obsessed. But that's not about saying yes to everything, it's more about having a very strong relationship and a shared intention. This way of thinking has created phenomenal outcomes for us and our customers.”

Luke cites the example of Fingermarks' QSR drive-thru solution as one that customers were not in the market for. Plenty of customers told them not to try – it would be too hard. But the Fingermark team persisted, and now their industry-leading drive-thru product is in high demand around the world.

### 3. Strategy and business model

“The strategy that served us was to keep innovating, to keep throwing things against the wall and to see what sticks – that combined with customer obsession. Then, in terms of our business model, we have actively designed it so that our innovation is funded through our hardware and installation capabilities.”

The strategy and business model have resulted in significant growth for Fingermark. Innovation funded through hardware revenue has successfully created multiple new revenue streams with SaaS products.

## Future growth levers

### 1. People and culture

“For a business to be really successful, I think the founder needs to increasingly separate themselves from the business. And I think we're starting to see that with me, coming up 20 years.”

Fingermark currently employs around 100 people and is growing globally. As the business continues to scale, there will be a focus on a people and culture strategy that is self-sustaining.

### 2. Operational efficiency

“People are everything moving forward; we need the right people deployed at the right time and place, with all the right tools – that's what really keeps me up at night. There's so much wastage in things like communication systems that are not right, and people working in silos with duplication of effort. I think it is massively critical to assess operational efficiency all the time, but especially as we grow, and teams disperse into different countries.”

Luke also mentioned the ongoing value of work that has been done in this area in the past, including revenue-per-head metrics that allow for accurate forecasting and expansion based on committed revenue.

### 3. Leadership

“Right now, we are trying to build a leadership team that will support us as we go from \$30 million in revenue to \$100 million. Getting the right people into the right positions is going to be critical to ensure we capitalise on all the opportunities.”

Fingermark will be growing a global executive team to support the next phase of growth, particularly in the USA.





# What next?

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Customer focus, Operational efficiency, and People and culture are the most selected levers contributing to growth to date across the businesses who responded to the survey. Looking ahead, Strategy and business model also come into sharper focus. This reflects a continued emphasis on core disciplines and a pragmatic approach in an uncertain environment.

At the same time, there are signs of evolution. Funding and capital lifts from 21% to 28% when businesses look ahead to future growth. This suggests that more businesses are preparing to invest in technology, people, and capability. It also reflects a growing recognition that sustainable growth requires more than efficiency. It takes capital and the confidence to apply it strategically.

Some levers, however, appear underused. Innovation was selected as a critical growth factor to date by just 13% of the businesses surveyed, rising to 17% in the future. Market understanding and Professional advisors also rank low at just 6% and 9% respectively.

This relatively low emphasis suggests untapped potential, particularly in areas that could support productivity and long-term adaptability. This is especially relevant for New Zealand, where productivity growth has remained persistently low for decades (averaging 1.1% - 1.3% per year since 2010). While it makes sense for businesses to double down on what's working, a more active focus on innovation in particular could unlock step-change improvements.

Encouragingly, many of the businesses featured in this report highlight the impact of innovation. Hilary West-Reeve of Phoenix Recycling Group believes innovation is essential to their success: "Innovation is not just about technology - it is the 'moat' around our business model that ensures we are market-leading."

Professional advisors were not prioritised highly in either the survey or the case studies - but they often play a key role in the implementation of the other nine growth levers, and their value tends to grow as businesses become more complex. In our experience, timely strategic advice can play a critical role during periods of change, helping to shape direction, clarify choices, and unlock opportunities.

Taken together, these insights suggest a moment of opportunity for New Zealand businesses, particularly as the economy begins to recover. The fundamentals are strong, but sustaining resilient growth will require a broader set of capabilities. Building on today's strong focus on efficiency and customer needs with greater ambition will be key.

The future importance of Funding and capital is a positive sign, and with it comes the opportunity to invest more boldly in innovation and in making more proactive use of expert advice. At BNZ, we're here to back that ambition with the capital, guidance, and advice needed to drive sustainable growth. By positively engaging these growth levers, New Zealand businesses can adapt, scale, and thrive - contributing to improved productivity and a wealthier, more prosperous New Zealand.





# Find your way forward

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To help action the insights from this report, here are 5 steps to align your strategy with the levers that will drive your future growth. These steps are designed to bring clarity and discipline to your decision making process.

**Review the insights:** Familiarise yourself with the 10 growth levers and the perspectives of the business leaders in this report, noting how levers like Customer focus, Innovation, and Capital and funding are prioritised for future growth. For example, if innovation is underemphasised in your strategy, reflect on the success on the businesses interviewed - five out of six identified Innovation as a key lever. Does your culture enable innovation? Do you have processes and feedback loops to capture ideas or suggestions for improvement?

**Prioritise for your business:** Rank the 10 levers based on their projected impact on your business over the next 3-5 years, considering your industry, business size, and growth stage.

**Assign weighting to each lever:** Allocate a percentage to each lever, totalling 100%, to reflect on the importance to your growth goals. For instance, if Strategy and Business Model will drive 30% of your growth, ensure your time, energy, and capital reflect this priority.

**Audit your current focus:** Assess how your current resources - time, budget, and talent are allocated across the levers. Identify gaps where your focus may be misaligned with your growth priorities, such as overemphasising short term operational fixes over long term innovation. Check your assumptions by asking your teams or an expert. Leadership and growth is a contact sport - use collective wisdom to identify opportunity.

**Adjust and act:** Realign your resources to match your prioritised levers, focussing on what will drive future growth, not just what's urgent today. If Innovation or Professional Advisors are underutilised, consider engaging with your banking partner to bridge these gaps.

## Take action today:

Connect with us, our doors are always open to help you find a way to sustainable growth. One of the great underutilised assets of BNZ is our access to a network of specialists that can help you and your business grow. We are very happy to help.





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Additional survey results

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Q. Which of these factors have made the biggest contribution to your business growth to date?

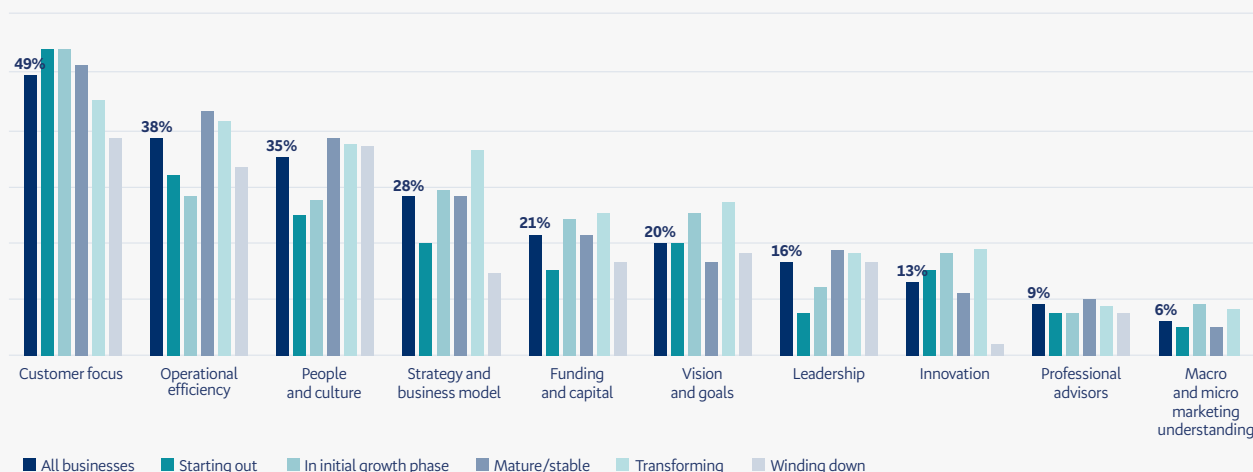


Chart 3: Growth factors to date by business life stage

Growth levers vary by business lifestage. Transforming businesses are significantly more likely than those at most other stages to select Strategy and business model (36%). They are also noticeably more

likely than average to select Vision and goals (27%) and Innovation (19%) as key drivers to date.

Q. Which of these factors will make the biggest contribution to your business growth in the next three to five years?

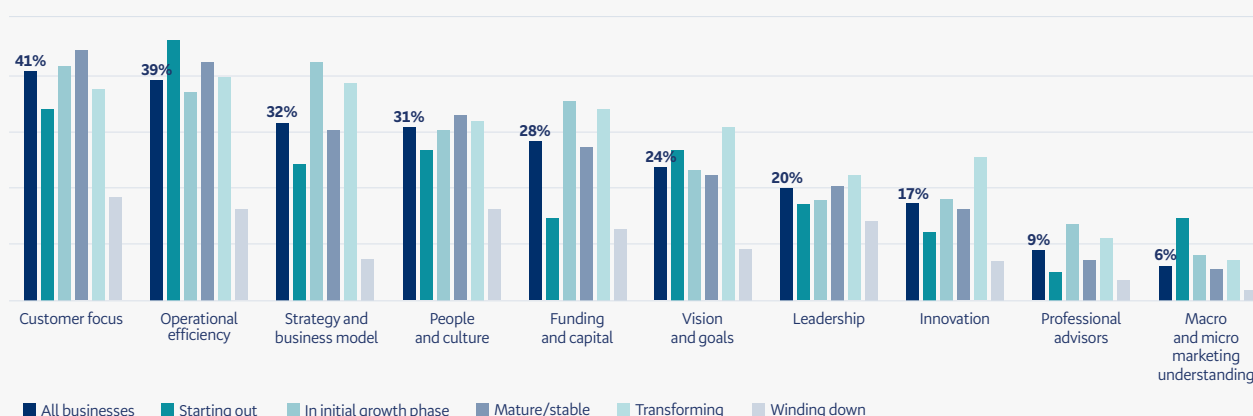


Chart 4: Growth factors in the next three to five years by business life stage

Looking ahead, we see a similar pattern among businesses in the 'Transforming' life stage. Funding and capital are more important looking forward than looking back among growing and

transforming businesses, likely reflecting the need for investment in scaling operations, and driving innovation as businesses level up.

Source: BNZ business customer survey, December 2024, n=1,005 total. Respondents selected up to three past and three future factors from the list supplied. Life stages derived from respondent selections from a list and range from n=41 (Starting out) to n=564 (Mature/stable).

Q. Which of these factors have made the biggest contribution to your business growth to date?

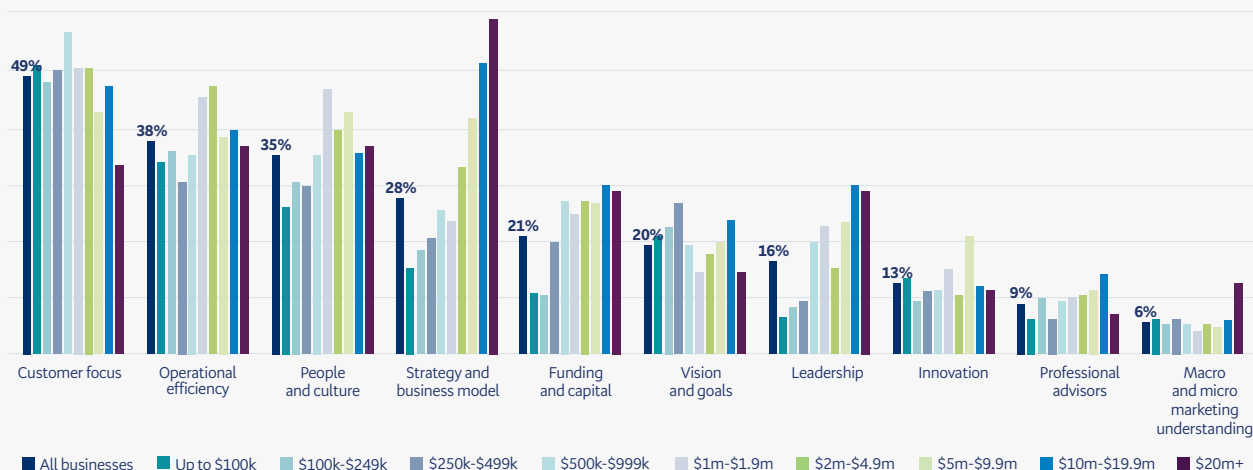


Chart 5: Growth factors to date by annual turnover

Source: BNZ business customer survey, December 2024, n= 1,005 total. Respondents selected up to three past and three future factors from the list supplied.

Looking at the growth levers to date by annual turnover, we notice that as businesses get bigger, Strategy and business model and Leadership are more commonly recognised as growth levers.

Funding and capital also becomes a bigger priority as businesses grow, likely as an enabler for further growth.

Q. Which of these factors will make the biggest contribution to your business growth in the next three to five years?

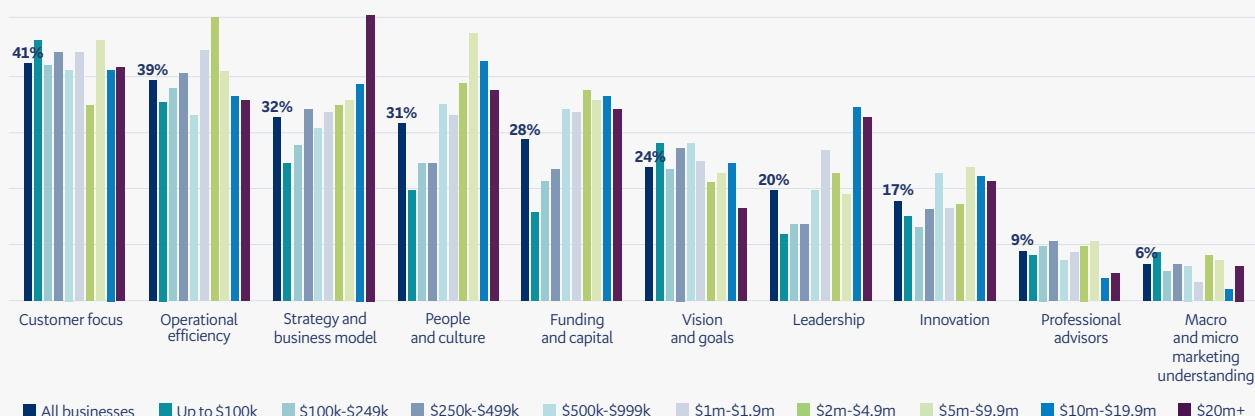


Chart 6: Growth factors in the next three to five years by annual turnover

Source: BNZ business customer survey, December 2024, n= 1,005 total. Respondents selected up to three past and three future factors from the list supplied. Turnover groupings derived from respondent selections from a list and range from n=50 to n= 148.



Q. Which of these factors have made the biggest contribution to your business growth to date?

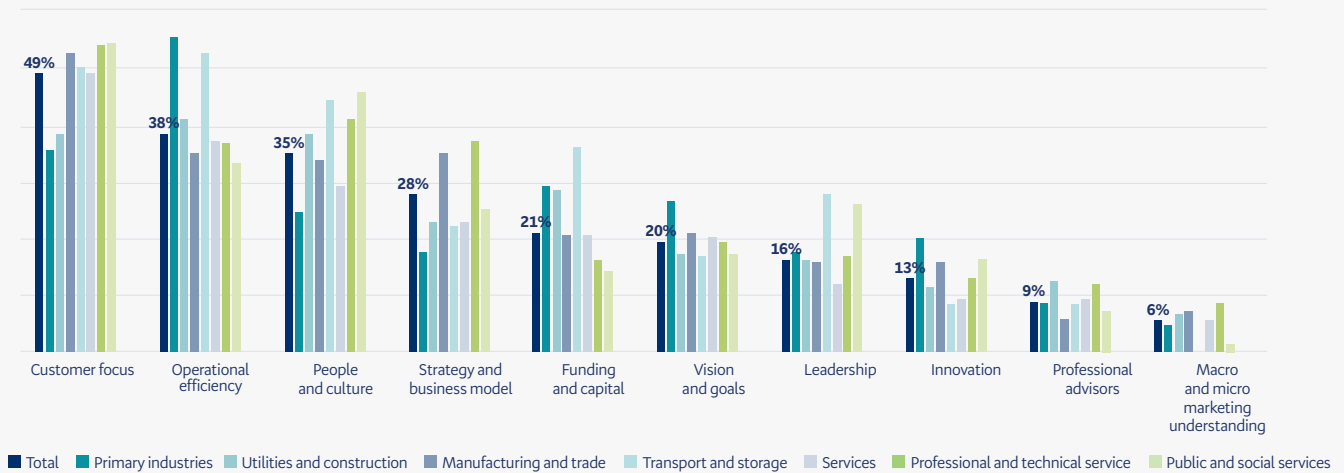


Chart 7: Growth factors to date by industry

Source: BNZ business customer survey, December 2024, n=1,005 total. Respondents selected up to three past and three future factors from the list supplied. Industry groupings derived from respondent selections from a list and range from n=36 (Transport and storage) to n=315 (Services).

### Industry groupings

Primary industries	Agriservices (stock agents, hunting, trapping), forestry and fishing, farming (crops, livestock, raw produce), mining
Utilities and construction	Construction, electricity, gas, water, and waste services
Manufacturing and trade	Manufacturing, retail trade, wholesale trade
Transport and storage	Transport, postal, and warehousing (caution: low base, results indicative)
Services	Accommodation, food services, administrative and support services, rental, hiring, and real estate services, other services
Professional and technical service	Financial and insurance services, information media and telecommunications, professional, scientific, and technical services
Public and social services	Arts and recreation services, education and training, healthcare and social assistance, public administration and safety

Table 2: Industry groupings and definitions

Looking at growth levers to date by industry, the Transport and storage sector skews toward Operational efficiency, People and culture, and Leadership, likely reflecting the need to optimise logistics, manage workforce challenges, and secure funding for fleet expansion or infrastructure investment.

In primary industries (agriservices, forestry, fishing, farming, and mining), Operational efficiency, Vision and goals, and Innovation were commonly selected as past levers of growth likely driven by factors such as sustainability, technological advancements in agriculture, and long-term planning required for resource-based industries.

Public and social services are more likely than average to select Customer focus, People and culture and Innovation, as past levers of growth, indicating a strong emphasis on talent retention, organisational culture, and finding new solutions to address evolving societal needs.

Businesses in the Manufacturing and trade sector recognised Strategy and business model as growth levers, likely due to shifting global supply chains, the need for diversification, and adapting to new market demands.

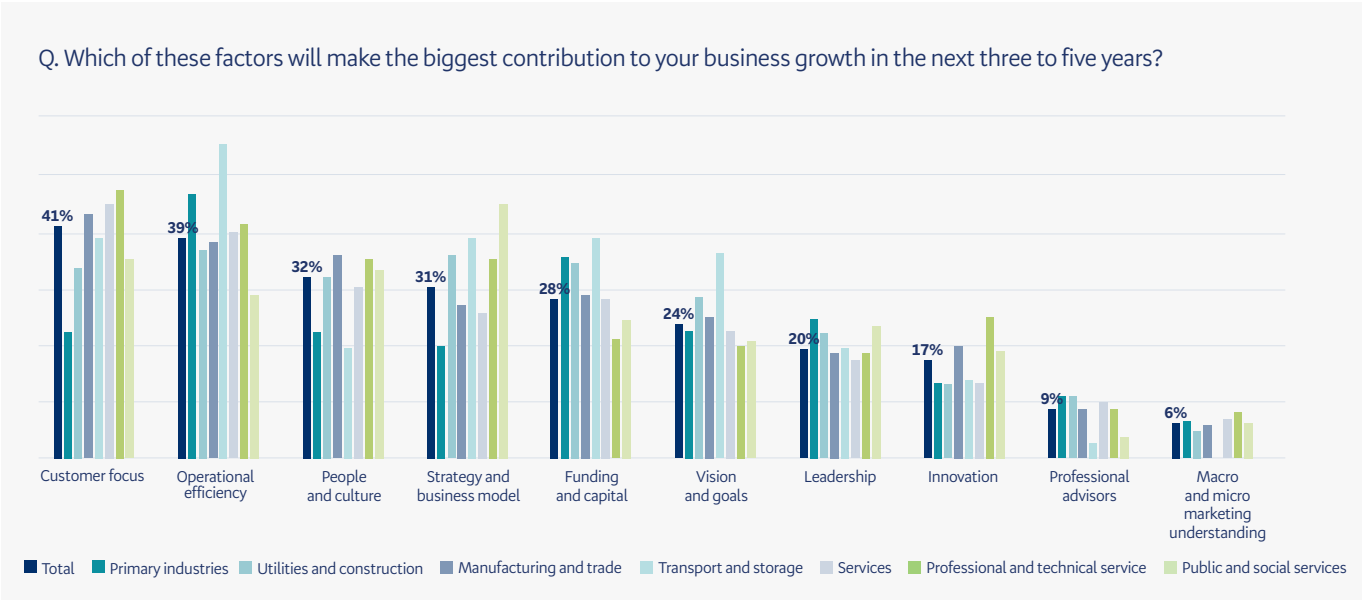


Chart 8: Growth factors in the next three to five years by industry

Source: BNZ business customer survey, December 2024, n=1,005 total. Respondents selected up to three past and three future factors from the list supplied. Industry groupings derived from respondent selections from a list and range from n=36 (Transport and storage) to n=315 (Services).

Looking ahead Innovation is most likely to have been selected by those in Professional and technical services while Operating

efficiency is most likely to have been selected by those in the Transport and storage sector.

## Get in touch

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We hope this report has provided insight to help you achieve your growth aspirations. It's amazing what an innovative business can achieve together with an innovative bank.

Please reach out to BNZ Growth Sectors at [BNZ\\_Growth\\_Sectors@bnz.co.nz](mailto:BNZ_Growth_Sectors@bnz.co.nz) if you'd like to discuss further.

**bnz.co.nz**

