

## Kiwi consumers are spending about the same as last year, but getting less for their money

**AUCKLAND, 4 July 2022 – New consumer spending data released by Worldline NZ today suggests Kiwis are spending about the same as they were a year ago but getting less for their dollar – while the first Matariki long-weekend provided a welcome boost for the Hospitality sector in the regions.**

Consumer spending through Core Retail merchants (excluding Hospitality) in Worldline NZ's payments network reached \$2.76B in June 2022, up just 1.0% on June last year. While this is higher than figures recorded last year, the rate of spending growth is well below the latest reported annual inflation rate of 6.9%.

Worldline's Head of Data, George Putnam, says that these comparative figures clearly point to the slowness of the current economy.

"With spending lifting only marginally above year-ago levels while inflation is running somewhat higher suggests people are having to cut back on the amount they purchase," he says.

"Our data suggest this is happening to a degree across all sectors, but it has been enough to push spending significantly below year-ago levels in some merchant sectors."

Putnam says the largest annual sectoral decline in spending, in dollar terms, was seen in the large Hardware / Furniture category, which was down -5.5% from June 2021 to June 2022.

However, he notes that spending amongst Hospitality merchants reached \$881m in June, which is up 5.2% on the pre-Covid levels of June 2019, although still 3.1% below 2021 levels.

"It's encouraging to see spending within the Hospitality sector continue to recover gradually, especially in surpassing pre-Covid levels in May and June 2022 – and following the previous tough nine months that began with Level 4 lockdowns in August 2021."

Putnam also notes that the first Matariki long-weekend provided a welcome boost to regional cafés, restaurants, hotels and motels, with spending through these merchants reaching \$112m – up 0.9% on the same non-holiday Friday-Sunday of 2021 and 12.8% on the same weekend in 2019.

"Mid-winter clearly did not deter New Zealanders from getting out of the cities to enjoy the first of the Matariki holidays," he says.

"An extra 6.5% (+\$3m to give a 3-day total of \$48m) found its way into the regional Hospitality providers over the three days of Matariki weekend, while Auckland/Northland and Canterbury experienced lower Hospitality spending over the weekend.

"Wellington meanwhile was up on last year, but that had more to do with Covid constraints last year than Matariki celebrations this year," says Putnam.

The following graph shows spending through regional Hospitality merchants over Matariki long-weekend, outside the three largest cities of Auckland/Northland, Wellington, and Christchurch.

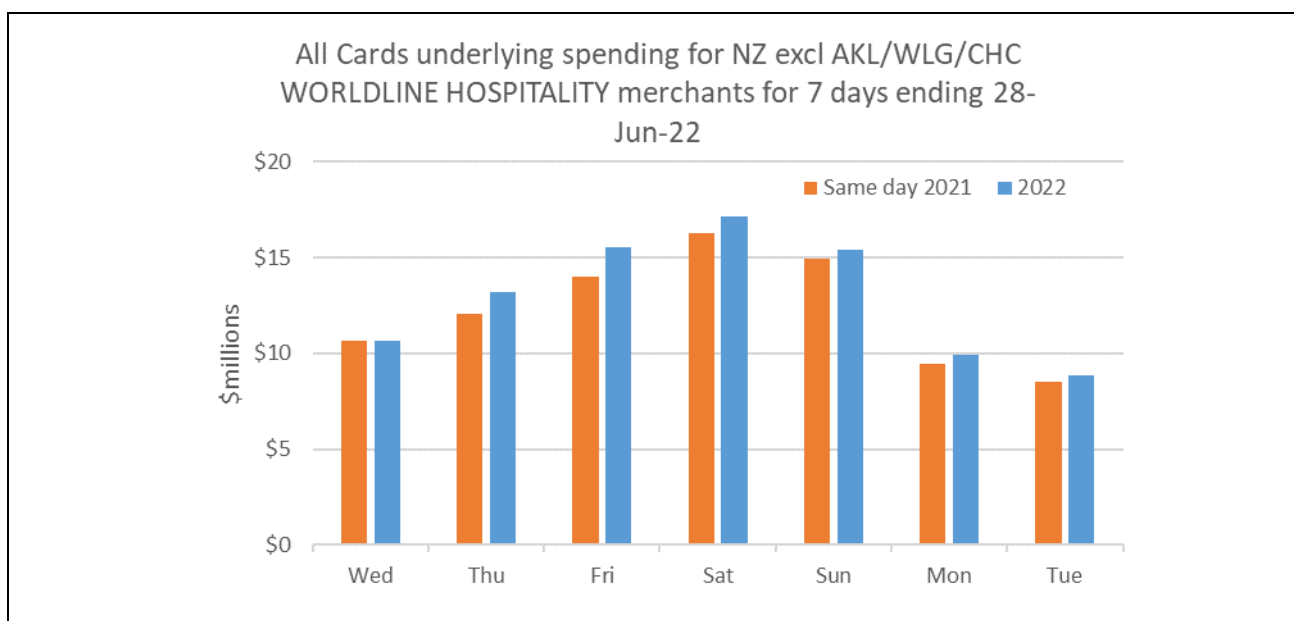


Figure 1: All Cards underlying\* daily spending through Worldline for Core Retail excluding hospitality merchants for 7 days ending Wednesday 28 June in NZ regions excluding Auckland/Northland, Wellington and Christchurch (\* Underlying excludes large clients moving to or from Worldline)

Meanwhile, wider spending across all Core Retail merchants (excluding Hospitality) showed annual growth was highest in Taranaki (+4.9%) and Canterbury (+4.3%). Spending was below year-ago levels in Auckland/Northland (-0.6%), Wellington (-0.9%), Nelson (-1.0%) and Otago (-0.1%), while spending remains above pre-Covid levels in all regions.

<b>WORLDLINE All Cards underlying* spending for CORE RETAIL less HOSPITALITY merchants for June 2022</b>			
Region	Value transactions \$millions	Underlying* Annual % change on 2021	Underlying* Annual % change on 2019
Auckland/Northland	1,018	-0.6%	8.6%
Waikato	220	3.5%	18.9%
BOP	188	3.8%	18.1%
Gisborne	27	0.5%	12.6%
Taranaki	64	4.9%	26.5%
Hawke's Bay	96	3.2%	20.3%
Wanganui	35	3.0%	23.5%
Palmerston North	83	1.1%	19.3%
Wairarapa	35	2.6%	26.0%
Wellington	268	-0.9%	8.5%
Nelson	53	-1.0%	11.9%
Marlborough	32	-0.8%	15.3%
West Coast	18	3.4%	21.4%
Canterbury	334	4.3%	18.9%
South Canterbury	46	2.9%	20.1%
Otago	141	-0.1%	11.1%
Southland	62	2.0%	13.3%
<b>New Zealand</b>	<b>2,762</b>	<b>1.0%</b>	<b>12.9%</b>

Figure 2: All Cards NZ annual underlying\* spending growth through Worldline June for regional core retail excluding hospitality merchants  
(\* Underlying excludes large clients moving to or from Worldline)

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**Note to editors:**

These figures reflect general market trends and should not be taken as a proxy for Worldline's market share or company earnings. The figures primarily reflect transactions undertaken within stores but also include some ecommerce transactions. The figures exclude transactions through Worldline undertaken by merchants outside the Core Retail sector (as defined by Statistics NZ).

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Worldline [Euronext: WLN] is the European leader in the payments and transactional services industry and #4 player worldwide. With its global reach and its commitment to innovation, Worldline is the technology partner of choice for merchants, banks and third-party acquirers as well as public transport operators, government agencies and industrial companies in all sectors. Powered by over 20,000 employees in more than 50 countries, Worldline provides its clients with sustainable, trusted and secure solutions across the payment value chain, fostering their business growth wherever they are. Services offered by Worldline in the areas of Merchant Services; Terminals, Solutions & Services; Financial Services and Mobility & e-Transactional Services include domestic and cross-border commercial acquiring, both in-store and online, highly-secure payment transaction processing, a broad portfolio of payment terminals as well as e-ticketing and digital services in the industrial environment. In 2020 Worldline generated a proforma revenue of 4.8 billion euros. [worldline.com](http://worldline.com)

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