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Media Release

New data: Here's how Australia's small businesses are gearing up for the Christmas rush

- **Small businesses working hard over summer without a plan**
- **Don't leave it too late to plan for a successful summer in business**

New research¹ released today from cloud accounting leader Xero shows that the majority of Australian small businesses are not adequately planning ahead for the summer holiday period, with some resorting to working longer hours to cover the summer rush.

The research documents the behavior and tactics of small business owners when it comes to preparing their businesses for the summer holiday period, as well as the technology they utilise within their organisation.

“This research tells us that some Australian small business owners are missing opportunities by not utilising technology to save time and plan ahead,” said Xero Australia MD Chris Ridd.

“Less than a fifth are even using last year's figures to estimate this year's turnover. Small businesses using cloud technology can easily forecast their turnover, assists them to plan for this year's summer holidays — whether they get busier or slower.”

Holiday rush

The survey found that more than a third (35 per cent) of small businesses surveyed get busier over the summer holidays, yet two-thirds (67 per cent) don't do anything to prepare for the holiday seasons. The Hospitality and Tourism sectors experience the biggest summer holiday rush, while Creative and Professional Service sectors slow down the most over summer.

Only 18 per cent of respondents will use last year's figures to estimate turnover and targets to plan their approach to the summer season this year.

¹Xero In on Summer survey, October 2015. The survey was conducted by PureProfile and consisted of 515 Australian respondents who own or manage their own small business.

Tim Wood, the co-founder of Aireys Pub on the Great Ocean Road explains that planning ahead for the busy summer season is a necessity for his business: “In winter we probably serve 40 meals a day, but during summer that can multiply to 1,100 meals on a busy day. If we haven’t forecast our figures from the previous month or year to plan ahead for those days, then we wouldn’t be able to prepare adequately.”

Working through summer

When faced with the holiday rush, business owners and their partners most commonly opt to work more hours (31 per cent) over hiring more staff. The only exception to this rule were businesses in the Hospitality sector, who employ more staff to cope.

Two thirds of businesses surveyed (71 per cent) don’t plan on doing anything different with their business this summer, and only 16 per cent say they will open their business more on public holidays.

“We know that Australian small business owners are working hard, and many will have to work even harder over the summer holidays. We want them to know that by embracing technology they could be lightening their load, giving them more time to spend with family and friends over their well-earned holidays,” said Ridd.

Tech tools underutilised

With regards to technology, small businesses are most commonly using mobile devices (58 per cent) and accounting software (43 per cent) in their day to day, however a fifth of businesses surveyed (21 per cent) aren’t using mobile devices or any form of software at all!

It seems that some small businesses are also laggards when it comes to accounting software, with 22 per cent still using paper based accounting systems, and 34 per cent still using Excel spreadsheets for their business accounting.

“When we switched to Xero for our accounting, we freed up a lot of time in our retail business,” said Roy Habibis, the co-owner of gift store D’Artagnan in Melbourne’s Moonee Ponds. “What used to take my wife days with our old system now only takes me a few hours, which means that my wife has more time to help our customers in the busy lead up to Christmas.”

Holiday reading

The research also found that almost a quarter (24 per cent) of respondents plan to do their finances or business admin while on holidays this summer. Those in the professional services, not for profit and hospitality sectors are the most likely to do their admin over summer, while those in the construction and trades sector are least likely to take their work on holiday with them.

“Because we can use Xero on our smartphone and iPad, we can work remotely in our downtime,” said Wood. “We can use those moments to run a stocktake, forecast wage and food spend to ensure we’re on track for our margins, and even send invoices on the go.”

Getting ahead

“Businesses like Aireys Pub and D’artagnan have ensured they’ve got the tech tools to help them look ahead and remain competitive” said Ridd.

“The message we want to send to Australian small businesses is that now is the time to start forward planning and thinking about Christmas. Don’t leave it until it’s too late.”

Supporting assets

- Images of [Chris Ridd](#)
- Images of [Tim Wood](#) and Aireys Pub

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About Xero

[Xero](#) is beautiful, easy-to-use online accounting software for small businesses and their advisors. The company has over 600,000 subscribers in more than 180 countries. Xero seamlessly integrates with over 400 third-party tools, and was ranked No.1 by Forbes as the [World's Most Innovative Growth Company](#) in 2014 and 2015.