



Better **Business** Insights Report

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Introduction

Merchant Analysis Payments

Merchant Analysis Demographics and Loyalty

Merchant Analysis Location and Family

Merchant Accounts

Account No.	Trading Name	City / Suburb
000000000000000000	Sample Client	Manly

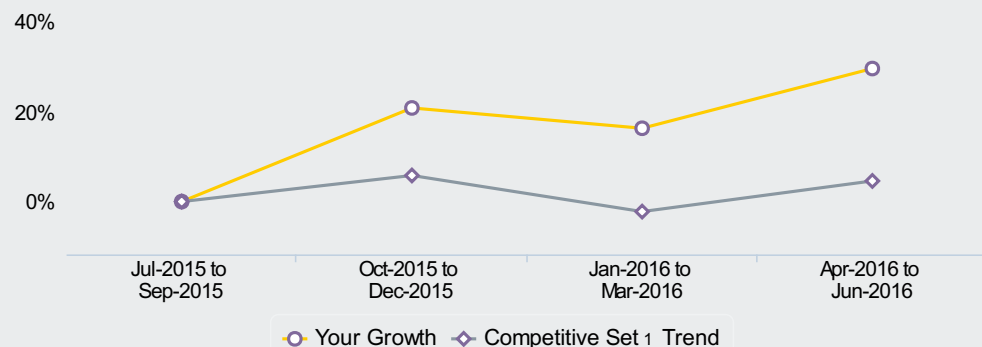
Your Locations

Terminals: 1

Sample Analysis Payments

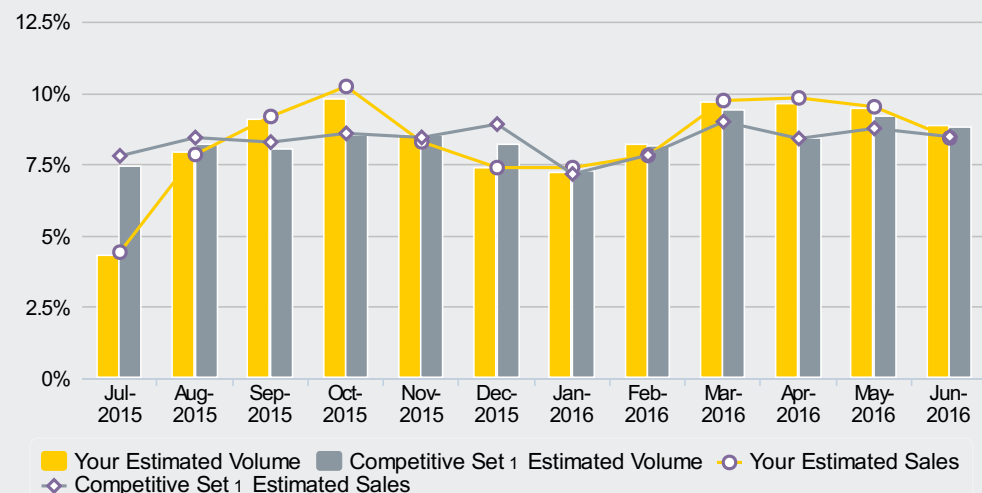
Quarterly Sales Trend

Change in quarterly sales (\$) benchmarked to the first stated quarter



Monthly Sales Distribution

Distribution of sales (\$) and volume by month



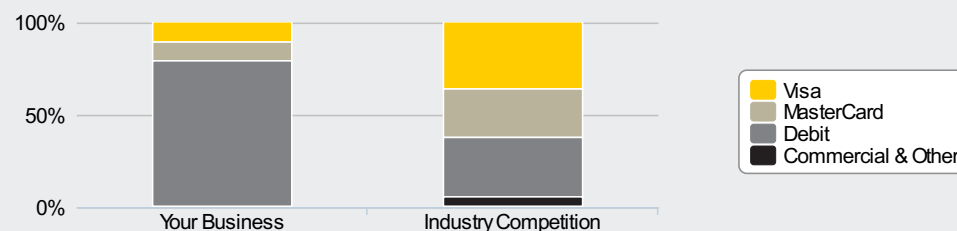
- For more information on the competitive set refer to the "Merchant Analysis Guide" in this report
- Refers to total sales (\$)

Key Insights

- Your merchant sales have grown by 30% in the past 12 months. The sales of your industry competitors have grown by 5%.
- There is a 6% difference in contribution to yearly sales between your highest month October and lowest month July while your industry competitors have a 2% difference in contribution to yearly sales between their highest month March and lowest month January.
- 79% of your merchant transactions are on Debit which is higher than your industry competitors who have 32% on Debit.
- Your business is smaller than most other businesses in this industry with 61% being larger and 25% being smaller.

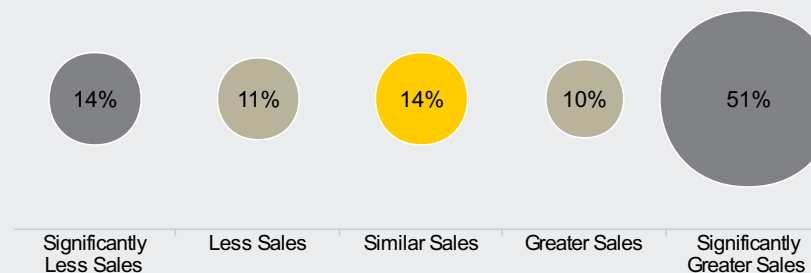
Card Type

% transaction volume from each stated card type



Competition

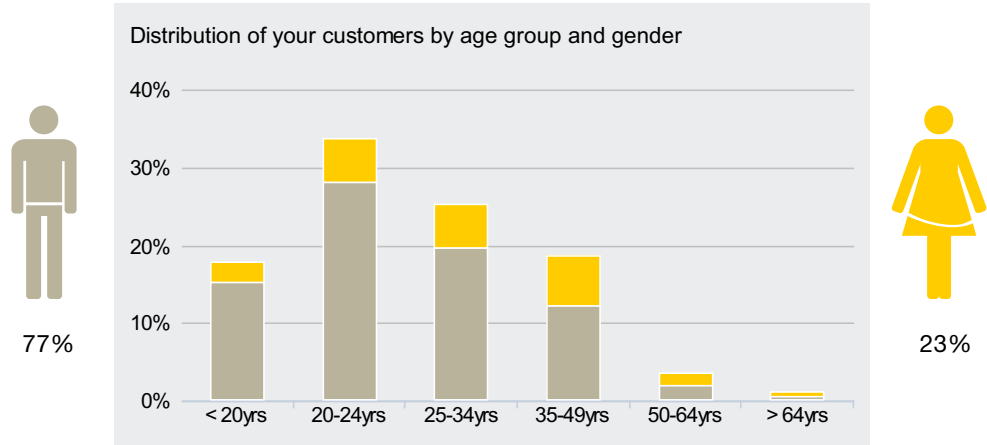
Relative size 2 of your business compared to the competitive set 1



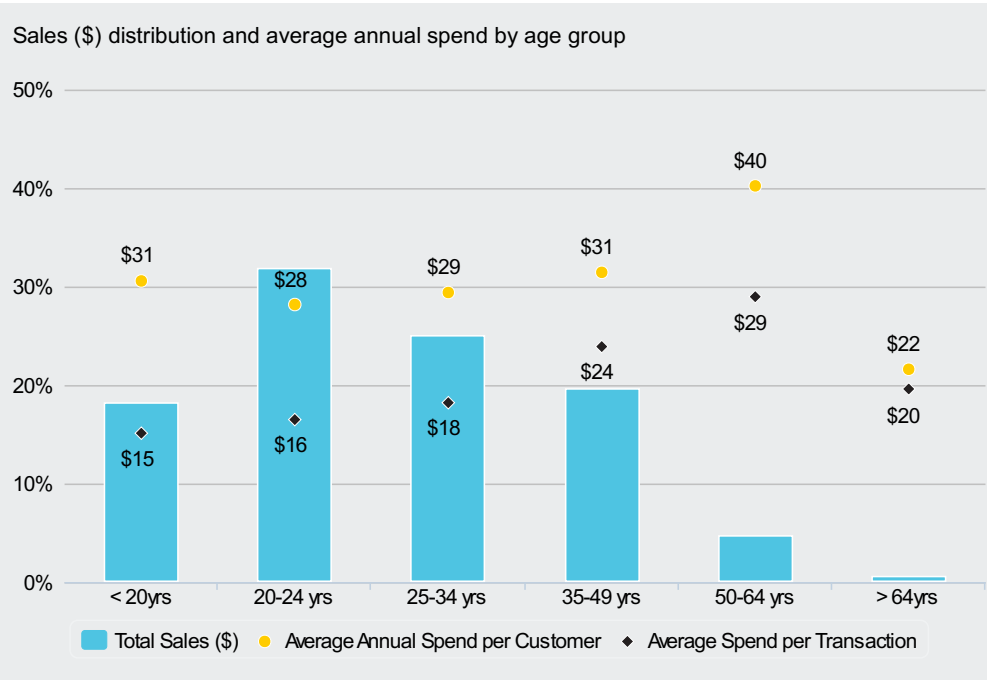
Note: Size comparison based on total sales

Sample Analysis Demographics and Loyalty

Customer Demographics



Age Distribution



Key Insights

- The gender of customers is substantially different with 77% being male.
- The highest annual sales value comes from the 20-24 yrs age band which contributes 32% of merchant sales.
- The 50-64 yrs age band has the highest spending per transaction (\$29).
- The largest value (44%) comes from the Wealthy Households group, however the largest transaction size (\$20) is from the Lower Medium Income Households group.

Socioeconomic Background

Consumer Profile	% of Customers	% of Volume	% of Value	Avg per Trans
Wealthy Households	43%	44%	44%	\$18
High Income Professional Households	17%	18%	19%	\$19
Multi-cultural Households	12%	10%	10%	\$17
Young High Income Singles	11%	10%	9%	\$17
Medium Income Households	4%	4%	5%	\$20
Low Income Singles	2%	4%	4%	\$18
Young Multi-cultural Singles	4%	3%	4%	\$20
Young High Income Families	4%	3%	2%	\$16
Low Income Retirees	2%	2%	2%	\$19
Lower Medium Income Households	2%	1%	2%	\$20
Low Income Rural Households	0%	0%	0%	\$15

Loyalty¹

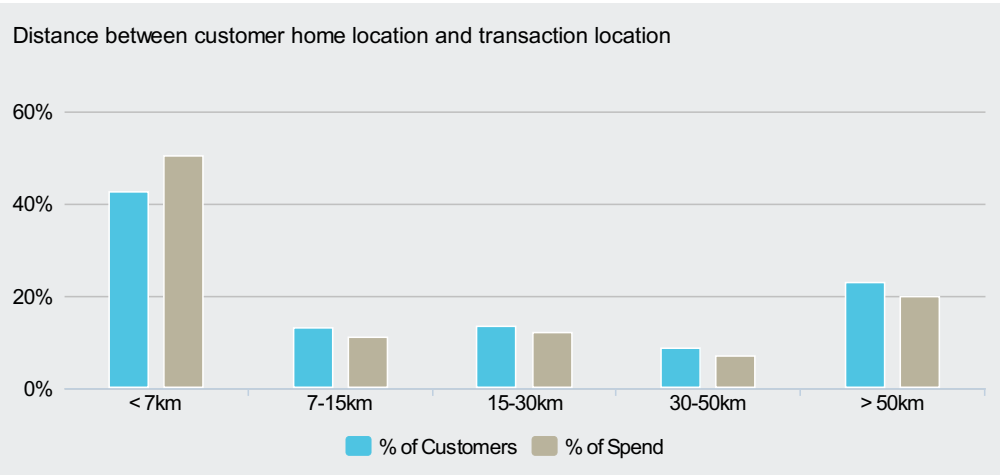
Repeat customers at same location	% of Customers	% of Volume	% of Value	Avg per Trans
Once off only	75%	45%	45%	\$19
Repeat 2-4 times	20%	30%	30%	\$19
Repeat 5-15 times	5%	21%	21%	\$19
Repeat > 15 times	0%	4%	3%	\$16

Repeat customers at any of your locations	% of Customers	% of Volume	% of Value	Avg per Trans
Once off only	75%	45%	45%	\$19
Repeat 2-4 times	20%	30%	30%	\$19
Repeat 5-15 times	5%	21%	21%	\$19
Repeat > 15 times	0%	4%	3%	\$16

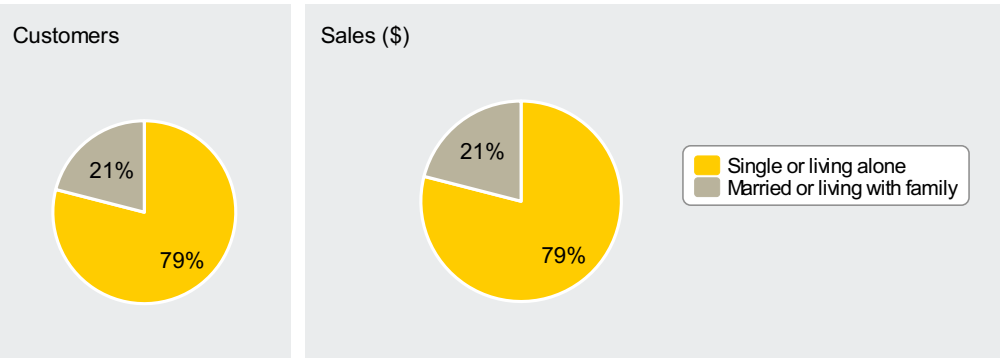
1. If you have only one location both tables will be identical

Sample Analysis Location and Family

Distance from Store



Estimated Family Composition of your Customers

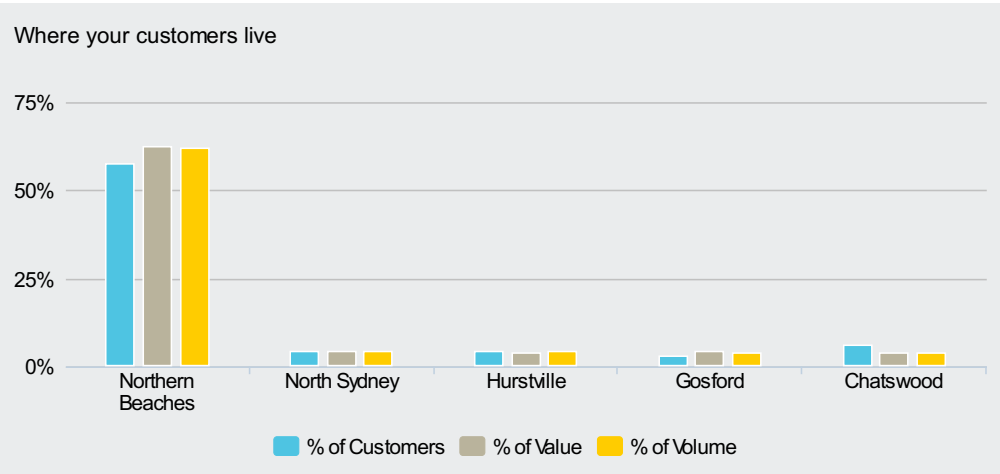


Family Composition	% of Customers	Avg Spend per Cust	Avg Spend per Trans
Single or living alone	79	\$31	\$18
Married or living with family	21	\$30	\$23

Key Insights

- Over half of your customers live less than 15km from your locations.
- 21% of your customers are families and they spend on average \$1 less per year than those who live alone.
- The top suburb, accounting for 34% of customers, is Seaforth (2092).

Top Catchments



Top Postcodes

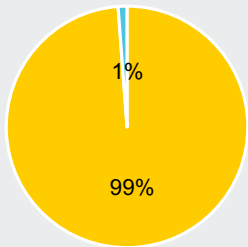
Where your customers live

Postcode	Suburb	% of Customers	% of Volume	% of Value	Avg per Trans
2092	Seaforth	34%	43%	46%	\$21
2093	Balgowlah	32%	28%	30%	\$20
2099	Dee Why	9%	8%	6%	\$14
2088	Mosman	7%	7%	7%	\$19
2095	Manly	5%	4%	4%	\$18
2094	Fairlight	4%	3%	2%	\$16
2096	Freshwater	3%	3%	3%	\$17
2086	Frenchs Forest	3%	2%	2%	\$17

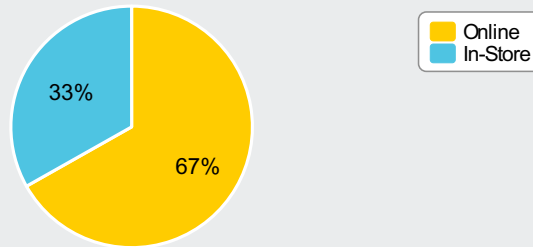
Sample Analysis Online

Online vs In-Store Distribution

Your transaction volume

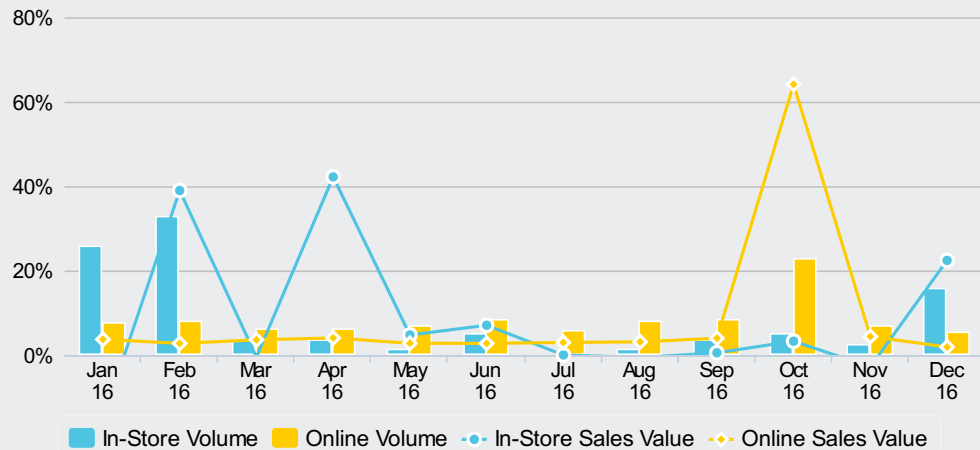


Competitive set 1 transaction volume



Monthly Sales Distribution - Online vs In-Store

Distribution of your sales (\$) and volume by month



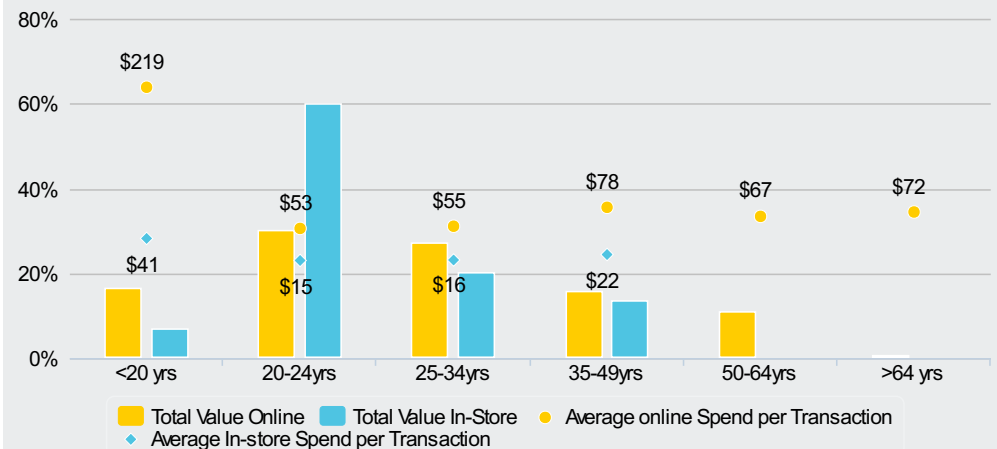
1. For more information on the competitive set refer to the "Merchant Analysis Guide" in this report

Key Insights

- 98.82% of your business sales value is online which is much higher than the industry average
- Young Adult 20-24yrs is the largest age group buying your products online
- Youth <20yrs has the highest spending per transaction online

Age Distribution - Online vs In-Store

Sales (\$) distribution and average annual spend by age group



Gender



55% of your online customers are female

Repeat Customers



Approx. 4% of your online base are repeat customers

Sample BPAY Analysis Payments

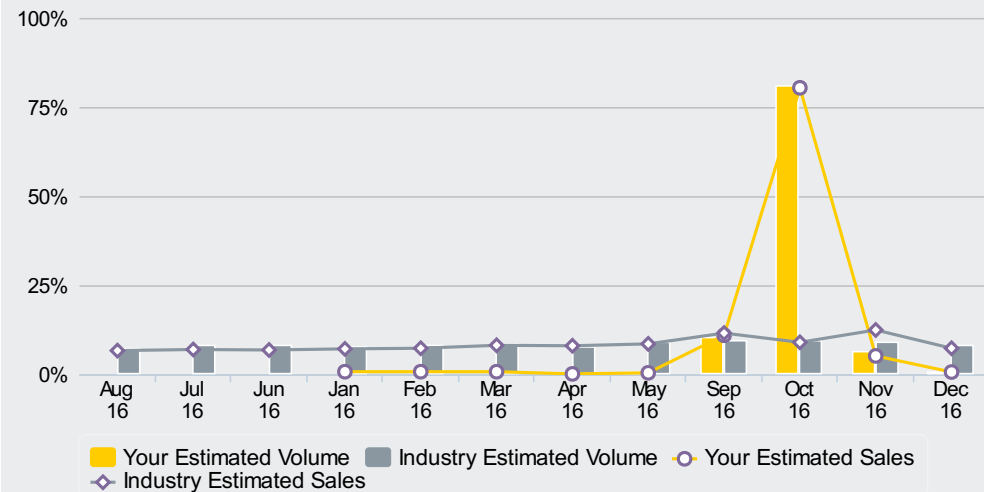
Your Top 3 Billers

Below is a list of your CBA BPAY Biller Codes:

Biller Code	Account
XXXXXX	XXXXXXXXXX
XXXXXX	XXXXXXXXXX

Monthly Sales Distribution

Distribution of sales (\$) and volume by month



Note: Monthly distribution over 12 months period.

BPAY Usage Change Over 12 Months

	Vol Change ¹	Avg Tran Val
Your Volume	-4%	\$420.19
Industry Volume	+7%	\$558.11

1. Refers to year on year change

2. For more information on the competitive set refer to the "Merchant Analysis Guide" in this report

Key Insights

- Your average BPAY transaction is \$420.19 which is lower than the industry average
- 97.8% of your BPAY sales value is from debit cards
- Youth<20yrs is the largest customer group using BPAY

Payment Preferences - Your Customers

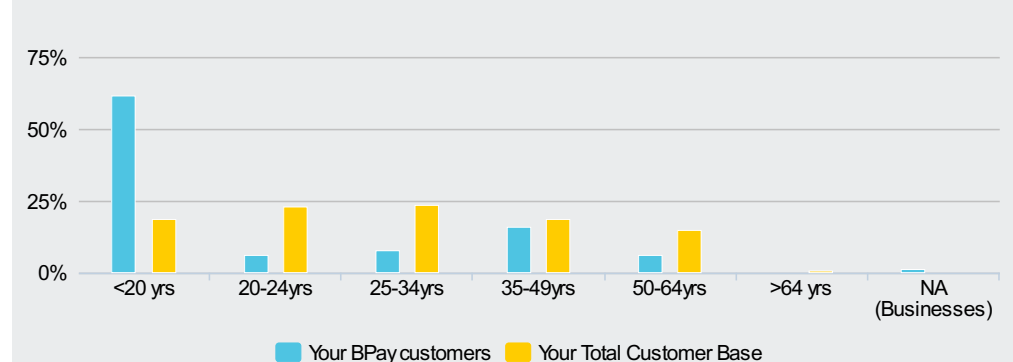
	Credit	Debit
By Sales (\$)	2%	98%
By Volume	2%	98%

Payment Preferences – Competitive Set ²

	Credit	Debit
By Sales (\$)	1%	99%
By Volume	1%	99%

Age distribution

Volume distribution by age group



New South Wales State Overview

Population and Employment

Approximately 7.6 million people (32% of the Australian population) currently live in New South Wales. The NSW population is predicted to grow 1.17% annually over the next 5 years, slightly lower than the 1.29% annual growth predicted for Australia. Unemployment is currently at 5.22%, slightly lower than the national unemployment rate of 5.82%.

Top 5 industries that NSW residents work in:		
Industry	Percentage of Working Population	
1. Healthcare & Social Assistance	12%	
2. Retail Trade	10%	
3. Manufacturing	8%	
4. Education & Training	8%	
5. Professional & Technology	8%	

Business Profile

There are approximately 708,000 actively trading businesses in NSW (33.4% of Australia).

Top 5 Industries & Catchments:		
	Percentage	
1. Construction	15%	
2. Professional & Technology	13%	
3. Rental, Hiring & Real Estate	11%	
4. Finance & Insurance	9%	
5. Agri, Forestry & Fishing	8%	

1. Sydney - City and Inner South	15%
2. Sydney - North Sydney and Hornsby	13%
3. Sydney - Inner South West	11%
4. Sydney - Parramatta	9%
5. Sydney - Inner West	8%

Businesses that generate over \$2 million in sales per annum:

Of these businesses, around 48,000 generate over \$2 million in sales per annum.



Key Indicators

- Consumer spending has been supported by higher dwelling prices and a strong labour market. Consumer sentiment is above the national average. These factors suggest that NSW household consumption growth should outperform the national average in 2016. But nominal retail sales growth expected to slow.
- Dwelling commencements forecast to be 65k in 2016. Demand for housing remains firm and is keeping prices elevated. Population and employment growth is supporting housing demand. Further rate cuts may refuel the housing market.
- Engineering capex has declined sharply. But non-residential building capex, including health and aged care, is buoyant. Further, there is a large pipeline of public works that will support total state capital investment.
- Export growth is modest and the state runs a large trade deficit. Coal is an important export industry and prices have fallen recently after a rally over March and April. Tourism and education exports to continue to perform well.
- Employment growth well above national average over the past year. The unemployment rate is below the national rate. Jobs growth over past year strongest in healthcare, professional services, accommodation and retail.
- Inflation in Sydney has slowed considerably and is in line with the national average. Overall inflation pressures to remain muted but Sydney CPI should track higher than national CPI reflecting less spare capacity in Sydney.

Family and Wealth

Approximately 71% of the households in NSW are families, and around 46% of those are families with children.

Families with children make up 61% of high-income (over \$156,000 p.a.) households.

Top wealthy catchments: (with high percentage of household income over \$156,000 p.a.)		
Catchment	Estimated households with income > \$150K	
1. Sydney - North Sydney and Hornsby	24%	
2. Sydney - Baulkham Hills and Hawkesbury	22%	
3. Sydney - Eastern Suburbs	21%	
4. Sydney - Inner West	19%	
5. Sydney - Northern Beaches	19%	

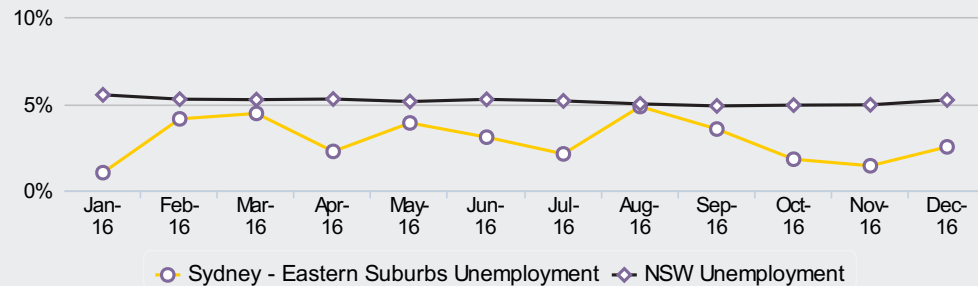
Sydney - Eastern Suburbs Catchment Overview

Population and Employment

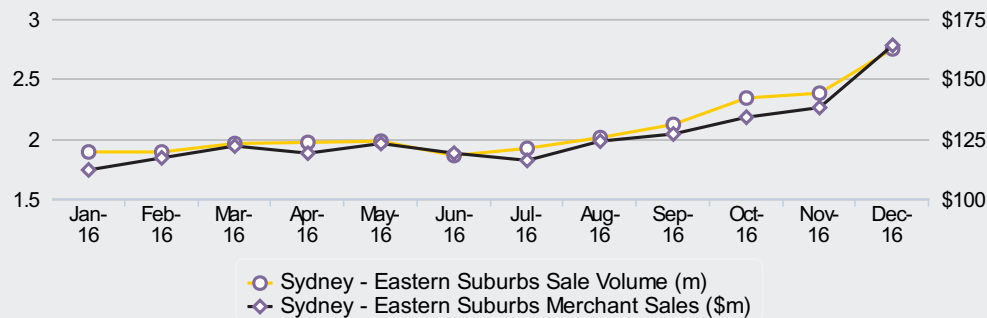
- The catchment covers the following boundaries: Eastern Suburbs - North / Eastern Suburbs - South.
- Approximately 283,000 people (3.7% of the NSW population) currently live in this catchment.
- The population of the Sydney - Eastern Suburbs catchment is predicted to grow 1.08% annually over the next 5 years, slightly lower than the 1.17% growth predicted for the state as a whole.
- Unemployment is currently at 2.51%, much lower than the total state unemployment rate of 5.22%.

Financial Health Indicators

Unemployment rate

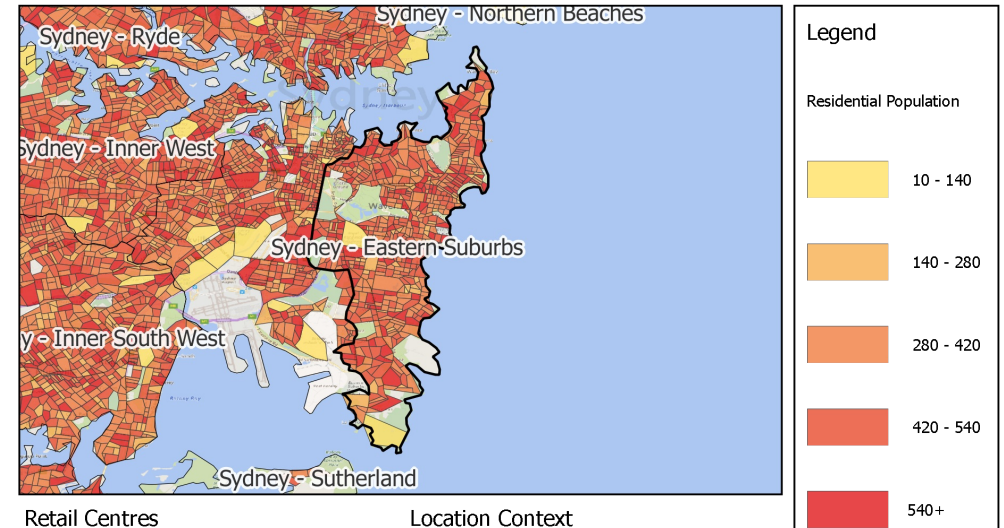


Estimated sales (\$) and volume for merchants in this catchment

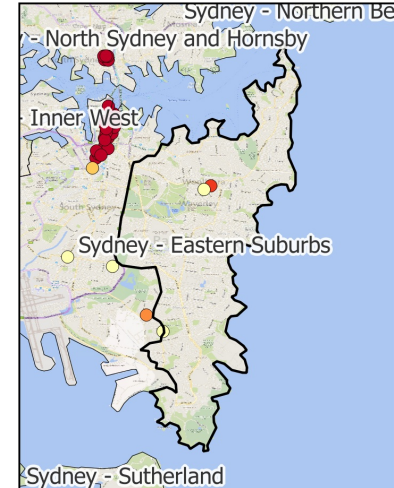


Catchment Geography

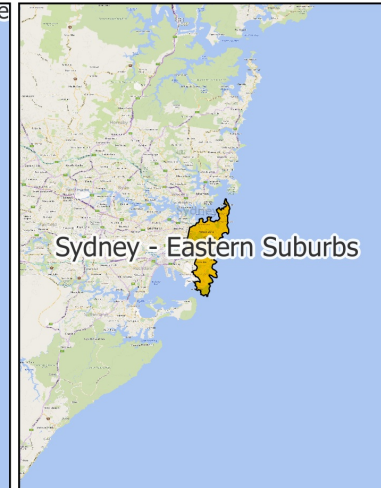
Residential Population



Retail Centres



Location Context



- Retail Centres**
- City Centre
 - Very Large
 - Large
 - Medium
 - Small

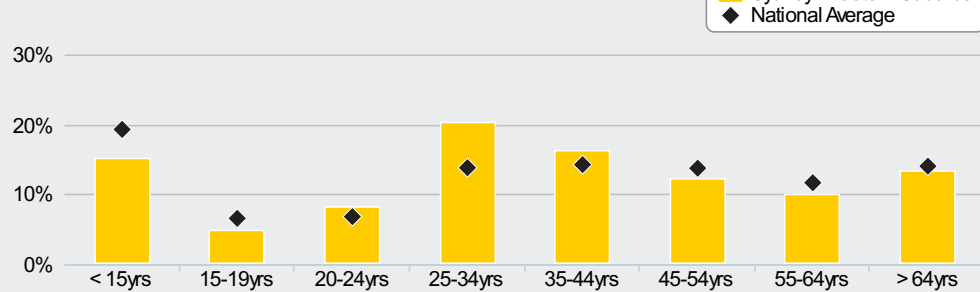
Sydney - Eastern Suburbs Catchment Key Statistics

Socioeconomic Environment

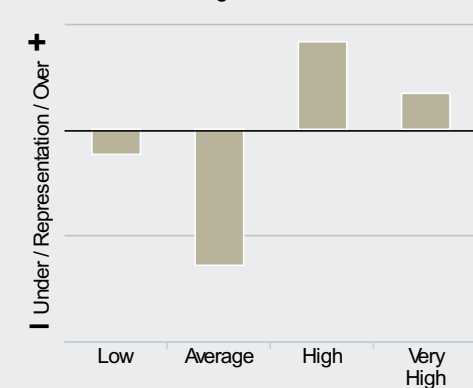
- Qualified professionals and managers
- High density inner-city units with greater than average prices
- More than half of the dwellings are privately rented
- High incomes are improved by shares and interest from investments
- Considerable rents and mortgage repayments
- Numerous single persons, couples and sharers, aged between 20-34

Resident Population Profile

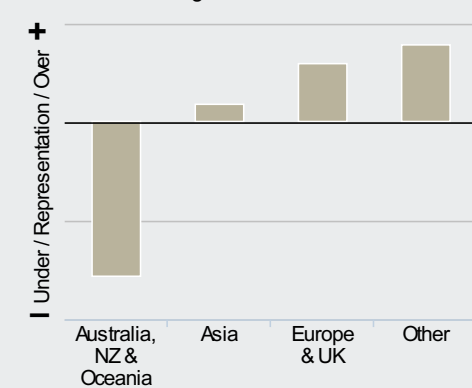
Estimated population distribution by age group



Household income distribution compared to the national average

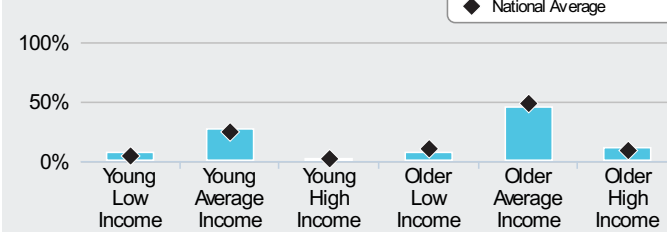


Cultural distribution compared to the national average

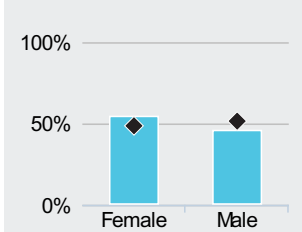


Working Population Employment Profile

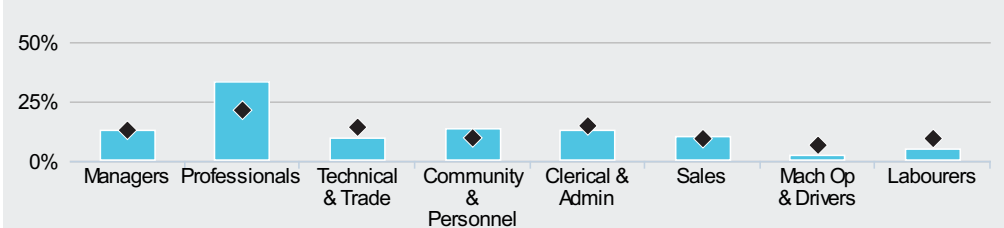
Age and income distribution



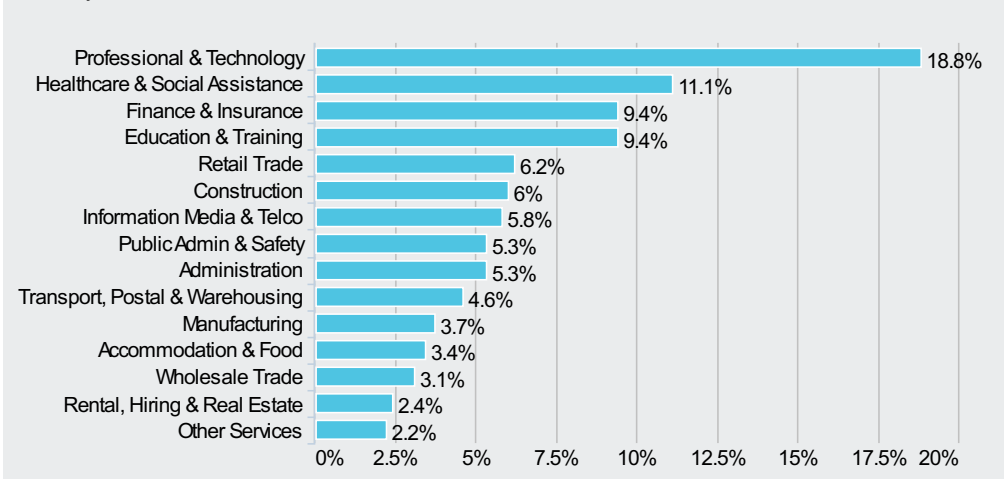
Gender distribution



Occupation distribution



Industry distribution



Australian Economy Key Indicators

First trade surplus in almost 3 years

- Australia's trade balance improved by \$2,362 million to a surplus of \$1,243 million in November. It was the first monthly trade surplus in 33 months. In trend terms the deficit improved to a 20-month low of \$16 million in November. The rolling 12-month deficit improved from \$28.6 billion to \$23.8 billion (smallest deficit in 18 months).
- In November, exports of goods and services rose by 8.4 per cent (goods up 10.6 per cent) while imports of goods and services fell by 0.1 per cent (goods down 0.2 per cent). Exports are up 15.7 per cent on a year ago, while imports are down by 2.4 per cent. Services exports are up 9.8 per cent on the year.
- Rural exports rose by 17.3 per cent in the month while non-rural goods rose by 12.2 per cent.
- Within imports, consumer imports fell by 0.4 per cent with capital goods imports down by 2.4 per cent while intermediate goods imports rose by 1.2 per cent.
- Consumption goods imports are down 3.4 per cent on a year ago while capital goods imports are up 0.8 per cent and intermediate goods imports are down by 6 per cent.

The monthly International Trade in Goods and Services release from the Bureau of Statistics provides estimates on exports and imports of physical goods and services.

Last updated: 06 January 2017

Producer prices

- The Sydney-Melbourne route is one of the busiest air routes in the world. The Sydney-Melbourne route is also a key measure of business activity. In the year to October 2016, the number of flights between Sydney and Melbourne eased from 59,625 to 59,413. But the number of passengers rose by 1.1 per cent to a record high of 775,717. As a result the smoothed load factor hit a record high of 83.4 per cent in the year to October.
- In the year to October a record 8.87 million passengers were carried between Sydney and Melbourne. Smoothed annual growth in passenger numbers remained at 3.9 per cent.
- There were 5.43 million passengers carried on Australian domestic commercial aviation (including charter operations) in October 2016, an increase of 0.3 per cent on October 2015. For the month of October 2016 there were 58 354 aircraft trips, a decrease of 1.4 per cent compared with October 2015.
- With passenger traffic increasing at a faster rate than capacity, the industry wide load factor increased from 79.6 per cent in October 2015 to 80.0 per cent in October 2016. Load factors on individual routes increased on 40 of the 66 routes. The moving annual load factor was the highest in four years.

The Bureau of Infrastructure, Transport and Regional Economics (BITRE) releases regular aviation data.

Last updated: 06 January 2017

Record car sales in 2016

- In 2016, a total of 1,178,133 new vehicles were sold - a record for a calendar year.
- Sales by State: NSW (397,563), Victoria (326,269), Queensland (233,026), Western Australia (100,234), South Australia (71,738), Tasmania (19,751), ACT (18,816) and NT (10,736).
- Respective market shares by vehicle type were: passenger (41.3 per cent), SUV (37.4 per cent), light commercial (18.5 per cent), and heavy commercial (2.8 per cent).
- The top-five segments by volume were small cars (224,450, down 4 per cent), medium SUV (172,194, up 16.5 per cent), 4x4 ute (146,820, up 10 per cent), large SUV (142,495, up 2 per cent) and small SUV (110,414, up 2 per cent).
- The sub-total of sales by buyer type for 2016 was: private (571,544, down 7 per cent), business (472,156, up 13 per cent), government (40,989, down 1.4 per cent) and rental (60,335, up 6 per cent). Buyers using their ABN to buy a single car count as a business sale, while novated leases count as private.

The Federal Chamber of Automotive Industries releases estimates of car sales on the third business day of the month.

Last updated: 05 January 2017

Commonwealth Bank Business Sales Index

- The Commonwealth Bank Business Sales Indicator (BSI) - a measure of economy-wide spending - rose by 1.2 per cent in November after an upwardly revised 1.1 per cent lift in October. Spending growth had slowed earlier in the year ahead of the UK vote on European Union membership ('Brexit') and the Australian Federal Election. But spending is now expanding at the fastest pace in seven-and-a-half years.
- Over the first six months of 2016, economy-wide spending grew on average by 0.2 per cent a month in trend terms; down from 0.5 per cent average monthly gains over 2015. But over the past four months spending has grown on average by 0.9 per cent a month. per cent in November - the strongest annual growth rate in a year.
- The seasonally-adjusted measure of spending rose by 2.8 per cent in November after falling by 0.4 per cent in October and lifting by 0.5 per cent in September.
- One of the strongest gains occurred in Government Services with spending up 4.5 per cent in trend terms in November after lifting by 4.7 per cent in October and 4.2 per cent in September. Spending at Amusement & Entertainment was also strong - up 3.6 per cent in November - and followed a 3.9 per cent rise in October and 3.7 cent gain in September.
- Across states and territories in November sales were stronger in all states and territories, strongest were NSW (up 1.8 per cent) followed by the ACT (up 1.4 per cent), Northern Territory & Queensland (up 1 per cent), Western Australia (up 0.9 per cent), South Australia (up 0.8 per cent), Victoria (up 0.7 per cent) and Tasmania (up 0.4 per cent).

The Business Sales Indicator (BSI) is obtained by tracking the value of credit and debit card transactions processed through CBA merchant facilities throughout Australia.

Last updated: 20 December 2016

Tips and Tricks

Planning for Success

- **Goals and vision:** Put your goals and visions for your business into writing - and date the document. Defining a target helps you maintain your commitment to your goals.
- **Succession planning:** What will happen to your business down the track? Will you sell it when you retire? Whatever you decide, you need to have a plan in place.
- **Lifetime value:** Mapping the spending patterns of returning customers can help you unlock the potential for business growth.
- **Analyse your strengths and weaknesses:** Conduct a SWOT analysis to identify the strengths, weaknesses, opportunities and threats of your business.

The 5 Key Numbers

1. Reconciled cash flow

Your reconciled cash flow tells you where you stand and whether you have cash available to meet immediate costs.

2. Days sales outstanding (DSO)

Days sales outstanding tells you how long, on average, it takes for an invoice to be paid.

Days sales outstanding = (Total receivables outstanding / Total credit sales) * Number of days in period

3. Break even point

Your break-even point is the point at which revenues cover your expenses and can be calculated as follows: **Fixed costs** are costs you must meet and generally include wages, rent, leases and administrative costs, but not the variable costs of sales. **Gross profit margin** is the percentage of each sale left over after the costs of that sale have been covered.

4. Margin vs. markup

It's vital to understand the difference between margin and markup:

Margin is expressed as a percentage of the selling price:

Margin = (Gross profit / Sales) * 100

Markup is expressed as a percentage of the cost:

Markup = (Gross profit / Cost) * 100

5. Your industry metric

Every industry has at least one metric that is specific to that industry. Examples include occupancy rates (hotel industry), covers per night and wastage (restaurants), and staff utilisation rates (services).

Managing Staff

Make sure you stay up-to-date with Australia's industrial relations system and Work Choices legislation by visiting:

<http://www.commbank.com.au/business/betterbusiness/managing-staff/the-new-ir-landscape>

<http://www.deewr.gov.au>

Your Business Without You

It's vital that your business can function when you're not there. Here are some key ways to achieve that goal:

- **Share knowledge, tasks and responsibilities:** Train people to share your tasks and responsibilities, ensuring there's backup if you have to take time off for any reason. Choose at least one or two "lieutenants" to share your invaluable management skills and knowledge with.
- **Involve your "lieutenants":** Once you have trained up your lieutenants, be sure to involve them in decision-making.
- **Delegate:** Give others a chance to share responsibility.
- **Emphasise team goals** Motivate your staff so they want to help the business achieve its goals.
- **Reward staff:** It pays to offer your staff competitive salaries and other rewards - if they feel valued, they'll work better.

Managing your Cash Flow

Every dollar that you invest in your business goes through the cash flow cycle before returning to you, bringing some profit with it. So the faster you can make your cash flow cycle, the more financially successful your business will be. Always be alert for any potential cash flow problems such as:

- Suppliers regularly going unpaid for more than 60 days, or insisting on cash on delivery terms.
- Frequent disputes with suppliers or regular changes to suppliers.
- Late BAS lodgements.
- Employee super payments in arrears.

Managing Risk

Risk can't be eliminated but it can be managed. Protecting your business from the impact of rising interest rates, changing commodity prices and currency movements will help to ensure steady cash flow.

You'll find useful information on managing risk at the NSW Government Small Business website at <http://www.smallbiz.nsw.gov.au/smallbusiness>

Appendix Government Agencies

Links to Relevant Government Agencies

- **Austrade**

www.austrade.gov.au

Austrade's role is to work with companies to help them achieve their export, investment and international business opportunities. They provide Export market Development Grants, show case capabilities of Australian companies to international markets

- **Australian Bureau of Statistics (ABS)**

www.abs.gov.au

The ABS provides statistics on a wide range of economic and social matters, serving government, business and the general population. This data can help businesses identify potential markets for their products

- **Australian Competition and Consumer Commission (ACCC)**

www.accc.gov.au

Promotes competition and fair trade in the market place to benefit consumers, business and the community. Businesses can use this site to gain knowledge on ensuring they comply with the fair trading laws and obtaining information about product safety

- **Australian Human Rights Commission**

www.humanrights.gov.au

This website provides businesses with information regarding anti-discrimination and anti-harassment laws in the workplace

- **Australian Securities and Investments Commission (ASIC)**

www.asic.gov.au

Provides information to Australian Companies regarding regulations in starting, running and closing businesses

- **Australian Taxation Office**

www.ato.gov.au

Provides information to businesses regarding BAS, record keeping, reporting and paying taxes

- **Department of Education and Training**

education.gov.au

Provides businesses with information on Australian education system, vocational education and training, international education and research

- **Department of Employment**

www.employment.gov.au

Provides businesses with information on workplace relations, skills shortage in Australia and indigenous employment

- **Department of Human Services**

www.humanservices.gov.au

The Department of Human Services provides easy, high quality services to people at different stages of their lives through the Medicare, Centrelink and Child Support programs.

- **Department of Immigration and Border Protection**

www.border.gov.au

Provides information to businesses regarding employer sponsored visas, sponsored training visas and the importing and exporting of goods in Australia

- **Department of Industry, Innovation and Science**

industry.gov.au

Supports globally competitive industries with scientific capability, technology, engineering and mathematics skills

- **Department of the Environment and Energy**

www.environment.gov.au

Provides information on policies in relation to businesses whose actions may have a significant impact on national environmental significance including land owners, developers and farmers

- **Export Finance and Insurance Corporation (EFIC)**

www.efic.gov.au

This website provides information to businesses regarding financial services to help businesses grow their export capabilities

- **Fair Work Ombudsman**

www.fairwork.gov.au

This website provides information for businesses regarding advice on Commonwealth workplace laws

- **Grants and Assistance**

www.business.gov.au/Assistance

Provides businesses with Australian, state and territory government grants and assistance information

- **Indigenous Business Australia (IBA)**

www.iba.gov.au

IBA Enterprises works with Indigenous Australians to assist them to succeed in business