



NEW ZEALAND TECH AND INNOVATION STORY

SUMMARY INSIGHTS REPORT



June 2021
Report prepared by:



Foreword

New Zealand's tech sector continues to grow at an impressive rate. Accounting for 8% of GDP and growing at a rate of 8.3%, the sector now employs more than 100,000 New Zealanders.



Julie Gill
Chief Strategy Officer
NZTech

Our response to the pandemic has heightened global interest in New Zealand, positioning us as nimble, decisive and a country that thinks differently - positive sentiments that can be leveraged to further enhance and solidify our tech sector growth.

The New Zealand Tech and Innovation Story (Tech Story) is a marketing initiative designed to enhance New Zealand's international reputation for delivering world-class solutions and present New Zealand as a compelling place for tech talent and investment.

Led by NZTech and the New Zealand tech industry, the Tech Story is being developed in collaboration with New Zealand Trade and Enterprise (NZTE), New Zealand Story, Ministry of Business, Innovation and Employment (MBIE), Callaghan Innovation and Ministry of Education (MOE).

By activating and telling the story to the world, the vision is for New Zealand to be recognised in a way that helps grow its tech exports, attracts investment and tech talent, and inspires the next generation.

This Research Summary Report is the culmination of extensive domestic and international data and information gathering, analysis of relevant tech-related reports, audience workshops and interviews that have assisted the shaping of key themes and insights needed to tell our Story to the world.

I would personally like to thank the hundreds of individuals and tech businesses that have so far given their valuable time and knowledge for the Tech Story. I am also excited about the future potential of our fastest-growing sector and how a compelling Story will assist our businesses internationally over the coming years - for the good of New Zealand and the world.

The Tech Story is a key workstream of the Digital Technologies Industry Transformation Plan (Digital ITP). The Digital ITP is an industry and government collaboration to help grow the digital technologies sector as part of the New Zealand Government's industry policy. Please stay informed by subscribing to our [regular updates](#) and join our Tech Story Inform Group on LinkedIn [here](#).

Ngā mihi
Julie Gill

New Zealand Tech and Innovation Story

Programme Overview

The programme consists of four key phases:

1

Discover: November 2020 - April 2021

Reconnecting with the industry to understand their current views on the international tech landscape – identifying the gaps in knowledge that relate to a tech and innovation story.

2

Define: April 2021 - June 2021

Taking these learnings, the team will define the story through development workshops to test and validate messages and brand positioning. International Perceptions Research will also provide a unique perspective to ensure the Tech Story resonates offshore with target audiences.

3

Create: July 2021 - September 2021

This phase involves the creation of Tech Story assets, stories and online platforms that reflect the messages and brand positioning that will help us achieve the objectives for the New Zealand tech industry.

4

Activate: October 2021 onwards

New Zealand tech businesses (Story Users) will be provided the tools and assets they need to use the Tech Story to assist them in achieving their commercial objectives. Priority markets will be selected and activation begins through a range of paid promotion and marketing activities.

■ Table of Contents

Why do we need a Tech Story? Why does it matter now?	10
What do we think of ourselves? (Domestic Perspectives)	11
What others think of us? (International Perspectives)	13
How can we shape our Tech Story?	19
Who is our target audience?	21
Should tech businesses identify as New Zealand businesses?	22
How can our unique Māori values differentiate the Tech Story?	23
What can we learn from other countries?	25
What have we learnt from the previous UpStarters campaign?	29
Which key messages resonate better with an international audience?	30

Our Approach

DOMESTIC STAKEHOLDER INTERVIEWS

40
NZ technology business leaders, investors, and influencers.

28
CEOs/ Founders/ GMs /MDs of tech.

12
Tech investors, educators and influencers.

Creative, Gaming, Construction, Comms, Financial, Film/Media, Geoscience, Healthcare, HR/Talent, IT, Travel & Leisure, Transport, Agriculture, FMCG, etc.

7 analysts - 64 Hours of Interviews
March-April 2021



300+ respondents to Tech Story Industry Survey

INTERNATIONAL STAKEHOLDER INTERVIEWS

33
International technology business leaders, VC investors, and influencers.

1/3
are business leaders, the rest are investors, advisors, educators, and business founders.

5
Countries: Australia, China, Singapore, US, UK.

5
are New Zealander expats or with international businesses.

Executive Summary

The New Zealand Tech and Innovation Story (Tech Story) is a marketing initiative designed to deliver a consistent and compelling way of promoting our tech and innovation capabilities to the world. By activating a compelling and consistent message to the world, we can enhance our reputation as a source of world-class tech solutions – growing exports, lifting investment and attracting tech talent.

Despite New Zealand's dramatic tech sector growth over recent years it is hampered by relatively low visibility and awareness of our success on the world stage. Our success stories are strongly anchored in innovation and enriched by our values and it is important that we promote the depth of New Zealand's Tech Story in ways that resonate with key international audiences.

Why we need a Tech Story now

The COVID-19 pandemic has shifted perceptions of New Zealand in the eyes of the world. This presents a timely window of opportunity to share a compelling branding story. By sharing our Tech Story we can help our businesses grow internationally by attracting tech investment, tech talent and growing our tech exports.

The Discover and Define phases of the refreshed Tech Story have now been completed. This has included a range of research and insight gathering to inform key themes, audiences and markets.

Data and feedback from New Zealand and key international stakeholders have also been incorporated in this Summary Insights Report.

Distinct and influential messaging

The report highlights research insights and includes potential storytelling themes for consideration in the development of the Tech Story. The research will help inform key messaging, market and audience relevance, branding, marketing assets and campaign activity. In target markets, the research identifies opportunities to emphasise sub-sectors where New Zealand can differentiate itself, anchored by adjacent strengths. For example, environmental or cleantech.

Branding directly related to New Zealand and our unique Māori values was perceived as less important by international investors. However, when it is incorporated as representing how integrity, ethics and conscience is central to our approach to innovation, it creates a powerful

Executive Summary

opportunity to create distinctive and influential messaging. Often our technology successes are underscored with the goal to innovate with the purpose of creating a better world.

What is New Zealand's tech sector narrative?

Throughout the research, several recurring themes emerged. One consistent strength identified was the continued recognition of New Zealand as an open, stable and trusted economy that is easy to do business with. This is combined with the perception that our tech sector punches above its weight and despite being relatively small, we produce high quality and innovative companies.

New Zealand has a pool of well educated, creative, affordable, diverse talent. Talented people come here for the lifestyle, inclusive culture, and stay here for the career opportunities. However, many noted that attracting talent needs to be matched with structural and institutional changes, such as the creation of talent clusters and an immigration policy that facilitates the 'last mile' of this journey.

A fast-changing world

The ongoing challenges of COVID and border restriction in New Zealand are putting increasing pressure on New Zealand tech firms' ability to access talent. This is evidenced in the survey results in that earlier this year New Zealand tech firms indicated that attracting talent was the least important of the Tech Story objectives. However, we have since seen a marked change, with the need for attracting and accessing quality talent now becoming an urgent topic of discussion.

Young, but growing quickly

Our tech ecosystem is growing and maturing but is still young enough to be agile with fresh ideas. Many international investors consider our tech ecosystem as relatively immature and siloed. However, it is growing rapidly with an agility that is fit for the investors and talent the Tech Story is targeting. While our tech innovators are concerned about scalability, internationally the message is that our strength is quality. This offers further opportunities for niche scalability.

Considering these perceptions, the next steps in the creation of the Tech Story must be as diverse and distinctive as the values perceived by the world and markets being targeted. Our messaging should be designed to overcome the international perception that there is a lack of ambition and boldness in many of New Zealand's tech companies.

A final word

The consistent, key message from those interviewed is 'do not underestimate the power of lifestyle, inclusion and stability in the New Zealand Tech and Innovation Story messaging'. This includes our work-life balance, sustainability and the strength of our multicultural communities.

The New Zealand Tech and Innovation Story will be communicated with industry and activated internationally later this year.

The Quick Answers

Why do we need a Tech Story now?

The New Zealand tech sector has continued its upward growth trajectory.

A Tech Story can help generate new business connections, growing awareness and eventually, preference.

The COVID-19 pandemic has shifted perceptions of New Zealand in key markets.

This presents a timely window of opportunity to share a compelling Tech Story. The time is now.

A Tech Story supports the New Zealand Government's COVID-19 economic recovery strategy.

What do we think of ourselves?

We are at the forefront of tech innovation, with entrepreneurial and efficient businesses.

We are open, curious, welcoming and supportive.

We create innovative solutions with a purpose to solve real world problems.

Our closed ecosystem, multicultural environment, and remoteness lets us test quickly and scale globally.

We need to be better at scaling and not 'reinventing the wheel'.

What do others think of us?

People talent is New Zealand's key strength.

New Zealand has good quality companies with purpose-built innovative solutions.

It's easy to do business with New Zealand.

However, our positive qualities have poor visibility overseas.

Distance, scale and a small market are still objections. As the world continues to evolve, these objections are becoming less valid.

Lack of resources (for example, quality tech talent) weighs on investors mind.

The Quick Answers

How can we shape our Tech Story?

- The markets with greatest opportunity are the United States of America (USA), Australia, the United Kingdom (UK) and Singapore. This is due to buying power, larger scale, and commonality in business and legal systems.
- New Zealand should highlight key tech sub-sectors to differentiate itself on the world stage. For example, cleantech, greentech, healthtech, spacetech, fintech, creativetech, SaaS. However, the messaging must sell our advantages over other competitors in those sectors.
- The New Zealand brand should be incorporated where it is relevant to the competitive advantage of the technology.
- Our unique Māori values – including ‘everything interconnected’ and ‘intergenerational thinking’ are the heart of Aotearoa tech and innovation.
- We can learn from countries that deliver compelling tech and innovation stories. For example, Israel, Singapore, Estonia and Ireland.
- We learnt from the previous UpStarters campaign that our Tech Story needs greater awareness. Messaging regarding trust and stability resonates the most today.

What could our Tech Story look like?

Key messages should highlight:

- New Zealand has an **open, stable and trusted economy**; it is easy to do business with us.
- Our tech sector **punches above its weight**. We are small but mighty; we produce high quality, innovative tech companies.
- New Zealand has a pool of **well educated, creative, affordable, diverse talent**. Talented people come here for the lifestyle, inclusive culture and stay here for the career opportunities.
- New Zealand’s tech ecosystem is rapidly **growing and maturing** but we are still young enough to be **agile with fresh ideas**.
- We create **purposeful, interconnected tech for a better world, today and tomorrow**.

Why Do We Need a Tech Story? Why Does It Matter Now?

New Zealand's tech sector has continued its upward trajectory of growth. In 2020, TIN200's (top 200 tech companies in New Zealand) revenue reached NZ\$12.7B, up 8.3%, or NZ\$973m, from the previous year. This includes NZ\$9.4B worth of exports to diverse international markets.¹ Despite the continued growth, there is still plenty of work to be done to further increase awareness and enhance our reputation.

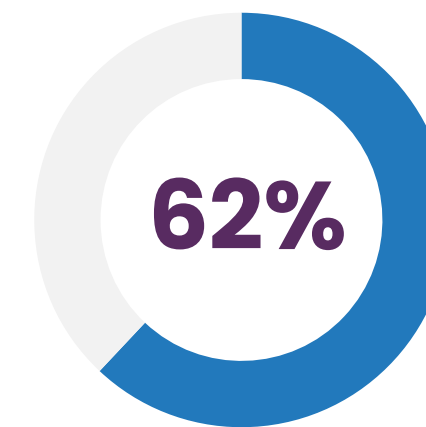
Workshop and survey results show that New Zealand tech businesses believe **a Tech Story can help in generating new business connections as well as growing awareness and eventually preference.** A Tech Story can help in building credibility with overseas buyers and investors by providing evidence and success stories.

More importantly, a 'Global Pulse Check' by One Picture in June 2020, showed how the **COVID-19 pandemic has shifted perceptions of New Zealand in key markets.** The world has moved from knowing what we have, to now appreciating how we live.³ Our raised profile and increased remote working is helping to overcome the perceived distance obstacle. **This presents a timely window of opportunity to share a compelling Tech Story now!**

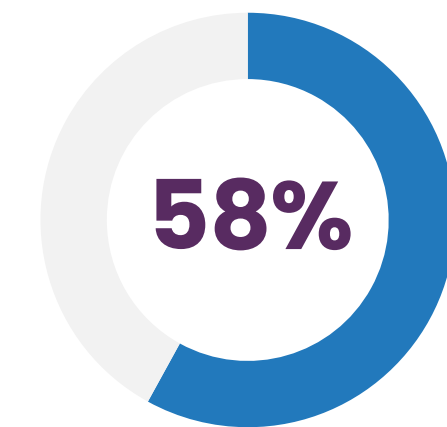
¹ Source: 2020 TIN Report 16th Edition, 2021. ² Source: NZTech's Tech and Innovation Story Survey, January 2021. ³ New Zealand Global Pulse Check.

Q. Based on the needs of your business/organisation, rank the following story objectives from most important to least important?

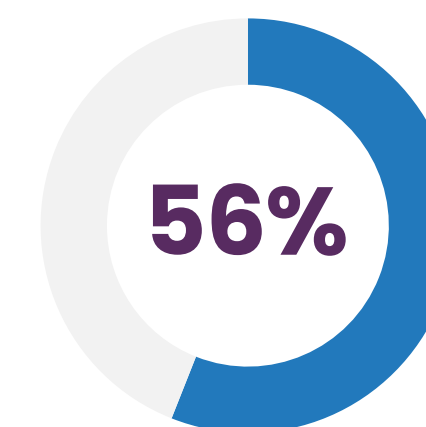
(% Respondents said fairly to extremely important)²



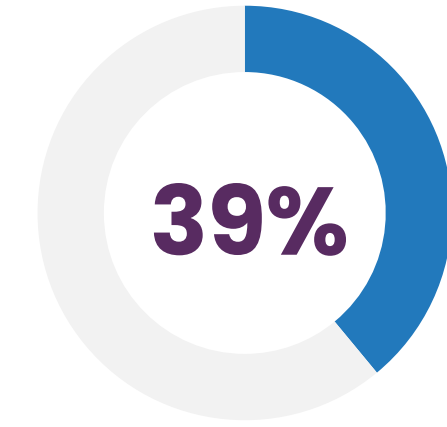
Help generate new business connections or leads



Grow awareness and preference for New Zealand's tech and innovation solutions



Present NZ as an attractive place for international investment



Attract international talent

What do we think of ourselves?

New Zealand Tech Business Leaders say...

Our Strengths

New Zealand at the forefront of tech innovation

Māori have been early adopters of technology, using navigation skills to travel across the Pacific Ocean. Ernest Rutherford, who succeeded in splitting the atom and received a Nobel Prize for his work, is a New Zealander and one of the world's most successful physicists. Another New Zealander, Bill Buckley, founded Buckley Systems Limited (BSL) and made a huge contribution to the Tech and Innovation industry with his company's precision electromagnets. Today, we have highly innovative, best-in-class companies which are recognised globally. For example, Xero, RocketLab, ERoad, Serato and Soul Machines.

New Zealand produces global companies

Despite the size of our country and our remoteness, our entrepreneurs have ambitions and aspirations beyond our shores. We've heard multiple times that "New Zealand is punching above its weight" in terms of innovation, companies it produces, quality of founders, and number of entrepreneurs – they are aggressive and ambitious, willing to take risks.

We create innovative solutions with a purpose to solve real-world problems, with humans in mind (human-centred), as we want to make lasting changes and a social impact.

New Zealand's unique quality lifestyle and "can do" attitude creates a perfect setting for innovation and idea generation. We are naturally innovative and community centred.

What we could do better

Emphasise the richness of NZ Tech's global success stories

We may be known for being innovative, but we need to be more vocal about our successes, promoting our great "born in New Zealand" brands more strongly

Take a global approach

Often NZ start-ups try to solve only NZ specific issues rather than thinking globally

"People remember great companies. Our global reputation is going to be based on great companies doing great things"

What do we think of ourselves?

Investors, Advisers and Influencers say...

Our Strengths

A blend of many things make New Zealand unique and distinct

Firstly, New Zealand's geographical isolation forces us to be innovative and determined. Secondly, it's a bond that connects people who made the effort to come here and stay. It means we tend to be good at overcoming obstacles. In addition, our relationship with New Zealand's indigenous people creates a unique environment for innovation and bringing ideas to life.

New Zealand businesses are incredibly entrepreneurial and efficient

The New Zealand tech community is primed to be supportive of people with innovative and creative ideas. In addition, during domestic interviews we were told, "the amount of value we create per investment dollar outweighs almost any other country".

New Zealanders are open, curious, welcoming and supportive

These qualities make New Zealand a place where international talent is willing to live, work and innovate.

New Zealand's closed ecosystem, multicultural environment, and remoteness gives us a unique opportunity to reach out to the right people much more efficiently, work and collaborate in smaller groups, test innovative ideas quickly and move faster into global markets.

What we could do better

We need to be able to develop the ability to scale our different and distinctive ideas on the world stage.

We tend to 'reinvent the wheel'

Our remoteness sometimes prevents us from seeing 'what's out there in the world' may already exist.

"Determined, innovative people who are good at overcoming obstacles. That is us."

■ What others think of us? An International Perspective



What do others think of us?

New Zealand Tech Business Leaders say...

The Positives

Our people are our greatest strength

Talent is viewed as one of the core strengths in the New Zealand tech sector. Universities offer a creative, well-educated pool of scientists and engineers. Kiwi expats return to the New Zealand ecosystem with significant experience. This includes working for larger organisations overseas and building global businesses.

Good quality companies with purpose-built innovative solutions

Kiwis are different in the way they build innovative solutions. Many have a purpose to solve real-world, niche problems.

Ease of doing business with New Zealand

New Zealand is well known for being one of the most transparent countries in the world. This includes privacy, data integrity, a stable regulatory environment, sovereignty, transparency, access to credit and being connected. This means it's easier to do business with New Zealand companies.

The Negatives

Poor visibility and awareness

This can be attributed to lack of visibility of global success among New Zealand companies and the need to better promote our Tech Story internationally.

The Obvious – Distance and Small Market

Distance is a concern, but many believe this is less of an issue with broader acceptance of remote working since the COVID-19 pandemic. Many raised concerns of scale and profitability of the domestic market, as well as availability of local talent but found that New Zealand is often used as a testing ground for products before expansion into larger markets.

“New Zealand is a very magical and beautiful country that’s far away. You don’t think of New Zealand in terms of technology and innovation.”

■ What do others think of us? International Investors say...

The Positives

We punch above our weight

Most are pleased with the quality of tech start-ups and calibre of founders they've encountered here. The overall sentiment is New Zealand's tech sector has more influence internationally than its size would suggest.

Focused (niche)

New Zealand is good at building businesses in niches or sectors such as agritech and the creative digital spaces.

Maturing tech ecosystem

New Zealand's tech ecosystem is starting to mature; it has the opportunity to create an exemplar version of an innovation hub. This could be aligned to the strengths, competitive advantages and capital requirements of a smaller market.

The return of experienced expats who know how to build global businesses will help the ecosystem mature. We are almost 'The Canada of the Southern Hemisphere'.

"My perspective was one of intrigue and of wanting to be here first. I regard this as being a market that has been in incubation for the last 10 years, and now it is ready to shine, remarkably talented technical cofounders, high-quality technical capabilities."

What do others think of us?

International Investors say...

The Negatives

Stereotypes

- “New Zealand is geographically distant and has unfavourable times zones to conduct business.”
- “It’s a small, domestic market of only five million people. ”
- “New Zealanders are too relaxed and laid back, processes move more slowly.”
- “Here in the United States, we do not first think of New Zealand as a hub of innovation.”

Not enough resources (talent and capital)

- “There is a lack of resources to do business, a lack of quality talent (both domestic and international) and a deficit of capital, especially on latter stages of capital (\$5m+).”

Not enough ambition

- “While the ideas emerging from New Zealand are bold, the go-to-market strategies of New Zealand tech businesses are often not bold enough.”
- “Businesses have low self-confidence and ambition with a tendency to settle for just New Zealand and Australian markets.”
- “Innovators often have a weak commercial orientation.”

“NZ doesn’t come top of mind if I’m thinking about tech start-ups, so it is always (repeatedly) surprising to me, the tech start-ups that do come out of NZ and some are very deep tech, whether it be robotics in agriculture, rocketry for space launches. There are a number of very sophisticated start-ups and products coming out of NZ, but it’s kind of a constant surprise just because it’s not like the more deep-rooted image of New Zealand that I have in my head.”

■ What do others think of us? International Talent says...

The Positives

The Lifestyle

Work/life balance in New Zealand is perhaps the best in the world. Sustainability is of utmost importance, in order to preserve this environment and the advantages that come with it.

Inclusive Culture

New Zealand has been described as inclusive, predominantly due to the multicultural nature of its communities. This extends to workplaces, in which international talent is valued and accepted.

Safe, Stable and Trusted

The nation is renowned globally as a safe place to live, work and raise a family. Free of war and political unrest, New Zealand's recent response to the COVID-19 pandemic demonstrates a capable, trusted Government.

Career Opportunities

New Zealand's diverse tech sector presents opportunities for talent seeking an upward-moving career, particularly because of the abundance of startups seeking high-skilled talent.

Inflow of Returning Expats and Kiwis

Much of this talent that values the lifestyle change is experienced with expertise in the tech and science sectors, bringing further quality to a young ecosystem.

“New Zealand is great for working but also great for having a family. It has a lot of strong points... it's a beautiful country.”

NZ Tech – What do others think of us?

International Talent says...

The Negatives

Immigration process

Respondents expressed their disappointment with the immigration system, which has been compounded by COVID-19. This presents difficulties for skilled talent wishing to move to the country, dissuading them from doing so.

Distance to home countries

For talent coming from abroad, New Zealand presents the challenge of being far from their home countries. This means that it is difficult to regularly visit family, due to long and/or expensive flights.

Pay is not competitive

Tech positions (e.g., software developers) receive less remuneration than the same roles located in larger tech hubs, such as Silicon Valley, Israel or Singapore. This is a challenge, due to New Zealand's high cost of living.

Unattractive for “nomadic talent”

New Zealand isn't an attractive location for younger international talent, who could be described as having a 'nomadic' career path. Talent that doesn't prioritise lifestyle is unlikely to leave more attractive hubs like Silicon Valley.

“Although the New Zealand people are very welcoming, I don't get the feeling that Immigration NZ is that welcoming... every year it gets harder and harder to get a visa, let alone a residency.”

■ How might we shape our Tech Story?



Who should be our Target Audience?

Country/Region Focus

The majority of NZ technology businesses interviewed target English-speaking and developed economies. However, an emerging market focus is evolving.

North America (US, by a large margin), Australia, Western Europe (UK), and Asia (Singapore) are the primary target markets, with the most opportunities identified. Respondents suggest targeting English-speaking, developed economies due to their buying power, larger scale, and commonality in business and legal systems. Respondents mentioned emerging economies e.g., China, India, South-East Asia, Middle East, albeit to a lesser extent. These economies feature as future growth markets. The top priority for the Tech Story campaign should be to target businesses and investors in the developed economies.



Source: IDC/NZTech's Tech and Innovation Story – Domestic Interviews, March 2021

“If you take a tech lens, Australia and the US, then Singapore and the UK., that gives about 85% of tech growth.”

“I don’t think we’re very excited about the emerging markets. The NZ Tech sector is not really an emerging market player, because the more you go premium, the more that you’re hunting the US, Korea, Japan, Singapore markets – markets with high GDP per capita.”

“We do see a bit of geographic focus happening – 10 years ago it was Europe and the UK. Now it’s a lot stronger in the US, and Australia, but there is a material growing presence into Asia. Not as significant as America, Australia and Europe, but it is emerging.”

Who is our Target Audience?

A sector focus

Broad swathes of tech sub-sectors were identified as growing and future opportunities by New Zealand tech businesses and investors.

SaaS, greentech, agritech, healthtech and fintech were cited most often as areas offering the greatest potential. SaaS was identified as the greatest opportunity, which is a reflection of domestic respondent sampling (half from SaaS/software businesses). Most believe with intangible intellectual property (IP), distance becomes less of a challenge. **Spacetech** was also referred to a number of times, partly due to Rocket Lab's success.

International businesses and investors interviewed agreed that New Zealand

tech must focus on industries where it is a powerhouse player. **Cleantech, greentech, healthtech are top initiatives that New Zealand should focus on to differentiate itself on the world stage.** With maturing Auckland based companies, such as Invenco, PushPay, Vend, and SmartPay, **fintech** should be a focus as well. Furthermore, local **creativetech** (film production, visual effects, animation, gaming) sector has surged in recent years.¹

This suggests targeting technology buyers and investors in multiple tech sectors.

“NZ’s tech players are often solving quite niche problems, problems that leverage other solutions or problems that plug into another ecosystem. You don’t need to try to take on the big platform. What we need to do is come at niches that we may have some unique advantages in”.

“New Zealand has strengthened its global profile as one of the few countries withstanding the pandemic. It should use its credibility to promote health tech and innovation (contact tracing, vaccine software, healthcare passport or digital identity) more aggressively.”

Source: IDC/NZTech's Tech and Innovation Story – Domestic & International Interviews, March-April 2021, Aucklandnz.com¹ Technology | Aucklandnz.com

Should tech businesses identify as New Zealand businesses? **It depends...**

The New Zealand brand should be incorporated where relevant.

Opinions are divided on the effect of communicating New Zealand as the country of origin for a tech business.

Those who agreed argued that New Zealand has a positive reputation globally in terms of the country's **stability, low corruption** and a **clean, green** approach. Several international respondents also stated that New Zealanders are considered **friendly, hardworking** and **trustworthy**, making them more attractive to do business with. Additionally, New Zealand has **gained international recognition** for the nation's reaction and handling of the COVID-19 pandemic, indicating a **competent Government**.

As a result, New Zealand businesses will likely benefit from associating with the New Zealand brand, theoretically becoming more positive in the eyes of international buyers and investors.

However, a large portion of international businesses and investors took a **neutral stance**, commenting that partnering a business with the New Zealand brand is **primarily determined by the industry** or **sector** of the business. For example, sustainable technology or agritech would be relevant, as these sectors could be seen as having a connection to the New Zealand Story. Conversely, a fintech startup typically has no perceived link to New Zealand as a country, so would not be suitable to promote as such.

“If it’s a New Zealand product or service that’s leveraging the strengths of NZ, I would certainly play up that part. I think if they’re doing something that has really no bearing on the direct and perceived strengths of the country and the culture... it’s not something that necessarily has to be emphasized.”

Source: IDC/NZTech's Tech and Innovation Story – Domestic & International Interviews, March-April 2021

How can Our Unique Māori Values Differentiate the Tech Story?

Our values are the HEART of Aotearoa tech and innovation

- Everything interconnected, nothing in isolation
- Intergenerational thinking
- People and family first
- Sustainability, holistic thinking, guardianship, stewardship

NZ tech businesses based in cities are more likely to see the benefits of Māori values in our Tech Story than those from the regions. Younger respondents were almost twice as likely to feel this is important than those aged 60+. Domestic respondents were more positive than international respondents.

There were **positive perceptions regarding the benefits of Māori values to the Tech Story, including sustainability, diversity, holistic thinking and guardianship.**

Some international respondents felt their markets may not appreciate its value because they lack a similar indigenous cultural framework to relate to.

**“...the world is seeing our values come through in a time of challenge for everyone.”
(Māori stakeholders’ workshop)**

Source: IDC/NZTech’s Tech and Innovation Story
– Domestic & International Interviews, March-April 2021

How can Our Unique Māori Values Differentiate the Tech Story?

Momentum is gaining for the role indigenous communities play in the tech space. Aotearoa has been leading with the iwi purchased telco spectrum over a decade ago.

The resulting launch of third mobile network operator 2degrees has meant positive outcomes for consumers via better competition.

There are six Māori owned companies in the TIN200 (2020) with a combined revenue of NZ\$162m and a strong pipeline of smaller companies. This year, Māori owned companies' revenue is growing at a higher rate than the average growth.

Attendees at the NZTech Māori stakeholders workshop said **Aotearoa is young, our tech sector is growing, and that we should shape the tech sector with our unique values.**

This could focus on how we create purposeful, interconnected tech for a better world for people today and tomorrow.

Respondents and stakeholders noted the importance of a co-creation approach with iwi.

“We are intergenerational innovators as a nation, it’s embedded in our culture. The entire history of innovation has to be told in the narrative, from arriving in NZ, to challenging nuclear power, to building rockets, boats, and whatever else”

What can we learn from other countries? **Israel**

Respondents spoke of **Israel and Singapore** as countries role modelling the delivery of a compelling tech and innovation story.



Israel
Population: 9.3m

- Strong positioning as a 'startup nation'.
- Factors include easy access to visas for entrepreneurs and generous tax breaks for multinationals.
- Multinationals in particular, are used as 'carrots' for tech talent, ranging in skill and experience with a focus on young talent.
- Positioning was deliberate and promoted by the government as a policy directive.

Why Israel?

- Israel has an increasingly strong and resilient economy.
- Israel's renowned academic system fosters an extraordinarily talented workforce.
- Israel is the world's spiritual hub for innovation and a powerhouse for revolutionary R&D.
- Israel's groundbreaking Advanced Manufacturing technologies offer countless opportunities for high-level industries and products.
- Israel is pro-business.



Screen shots taken directly from investinisrael.gov.il

A competitive nation of entrepreneurs, where everyone knows better and nobody cares to listen. A place where brain and energy are ubiquitous, and breakthroughs regularly shine. We are curious, independent, impatient, and have a reputation of being somewhat indelicate. People that like to push the limits and challenge the boundaries. People who are focused on getting the job done. From automotive to aerospace, from communication to pharma, where the pulse of everything is regarded as truly new, and a part of everything, we are far from being modest. After all, we are Israelis."

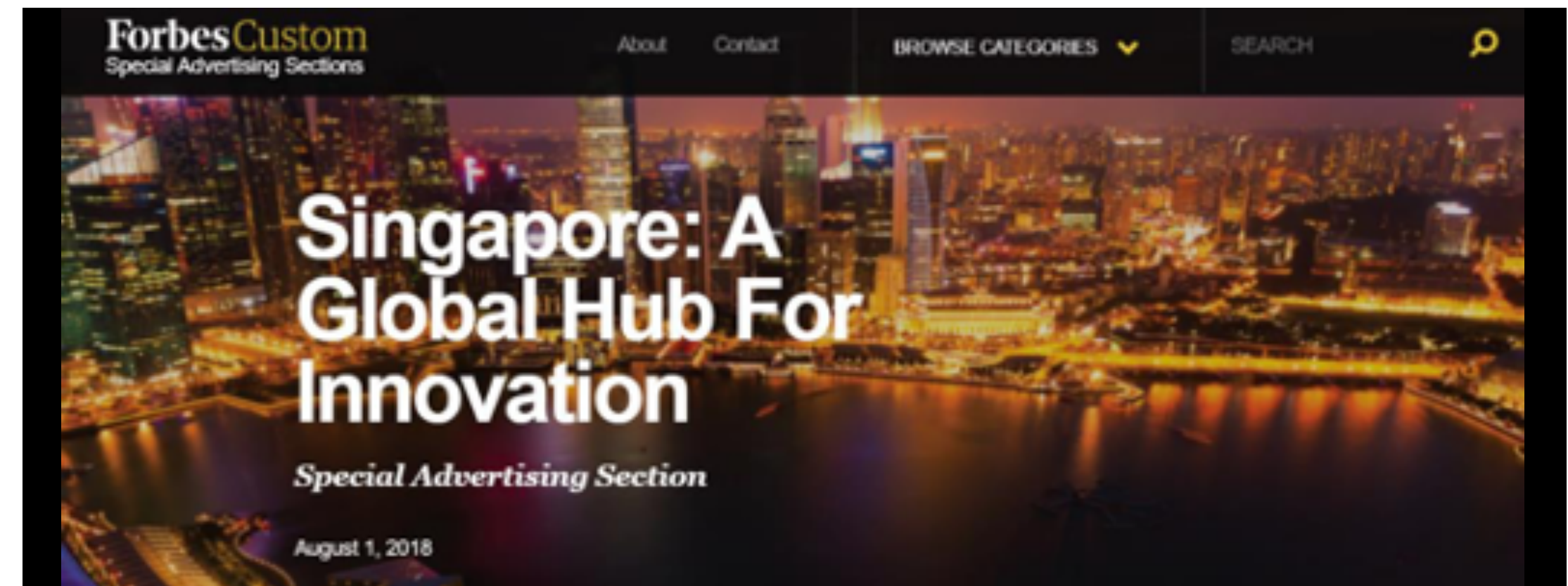
What can we learn from other countries? Singapore



Singapore
Population: 5.9m

- Singapore is a world leader in tech innovation, facilitating the collaboration and empowerment of the digital agenda within the ASEAN region.
- Singapore has developed a digital-first agenda, spearheaded by the government for the last 20 years and is now reaping the benefits.
- A key area of focus has been interoperability for business and industries, especially finance.
- Regulatory frameworks play a large role in their positioning as a safe, sandbox (testing) environment.
- Their ability to attract investment and talent furthers their innovation hub status.

Source: Singapore: A Global Hub For Innovation | Forbes Custom, 2018



Key Messages:

- **A centre of innovation and research and development** at the heart of the world's most dynamic economic region.
- **Asia's innovation playground** – Experiment Easily, Create Confidently.
- **Breeding Innovation** – From Singapore, for the World.
- **Revving Up for a Digital Future** (Infrastructure, Manpower, Pillars of Technology – AI, IoT, Cybersecurity, immersive media).
- **Acceleration @SG Digital**
- **Live, Work, Play in the Heart of Marina Bay**

What can we learn from other countries? Estonia



Estonia
Population: 1.3m

- Estonia ranks among the best in the world in terms of human capital, digital capability and ease of doing business.
- A competitive environment has been created, allowing Estonia to become a Northern European tech hub.
- Their e-Residency allows people from other countries to start a business in Estonia's digital space and run it remotely. This means startups and talent emerge in Estonia, without needing to physically do business there.
- Their ability to attract investment and talent furthers their innovation hub status.

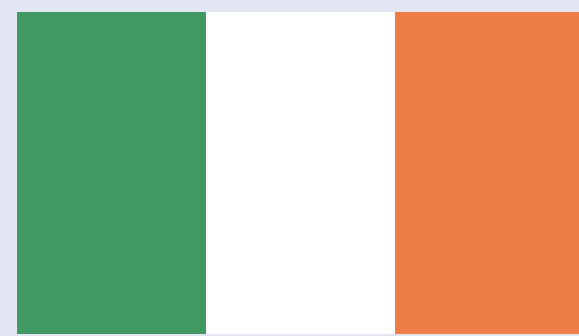
Source: <https://investinestonia.com/>



Key Messages:

- **Smart People:** Ranks highly in entrepreneurial employee activity and competitiveness.
- **Pro-Business Environment:** Estonia is an open, competitive and transparent economy, with a strong R&D focused tech ecosystem.
- **Digitally Enabled Nation:** e-residency, cybersecurity and 5G infrastructure make Estonia an advanced digital society.
- **Scalable Location:** High foreign ownership, acts as a base for European trade and activity.
- **Solid Investment Track Record:** Productive employees and use of IT solutions increases added value to investments.

What can we learn from other countries? Ireland



Ireland
Population: 5m

- Ireland is one of Europe’s fastest growing economies year-on-year, with entrepreneurial activity and businesses to match.
- The tech sector is supported by a strong R&D ecosystem, such as the €500 million Disruptive Technologies Innovation Fund, as well as success stories that help startups gain traction with international investors.
- Ireland has begun to push the relationship between tech and sustainability, using the nation’s green colouring to represent its interest in a cleaner environment.



<p>Travel Tech</p> <p>Groundbreaking Irish companies are delivering innovative technologies that are helping travel sellers maximize their revenue and profitability. Learn more in our white paper.</p>	<p>Construction</p> <p>With world-class construction and engineering expertise, Irish companies have an international reputation for delivering complex projects with a range of innovative technologies.</p>	<p>Fintech</p> <p>As a global financial services and technology hub, Ireland is a source of fintech innovation, with the knowledge and expertise that customers need to succeed.</p>	<p>Medtech</p> <p>With a uniquely collaborative medtech ecosystem that includes academic support and world-class research centres, Irish companies are well positioned to provide the solutions that healthcare providers need.</p>

Source: Enterprise Ireland: <https://irishadvantage.com/>

■ What have we learnt from the previous UpStarters campaign?

UpStarters was established in 2017 and was the first New Zealand Tech and Innovation Story. UpStarters was designed to form a compelling, consistent and coherent way of promoting New Zealand's tech and innovation capabilities internationally.

Pōtiki Thrives Through Kaitiakitanga

The term UpStarters was created to convey the unique mindset and approach of New Zealand's tech and innovation entrepreneurs. It is a reimagining of the 'number 8 wire' mentality, better suited to a high-tech world. It is inspired by the Māori idea of the pōtiki spirit - the attitude of the youngest child in the family, who pushes boundaries and takes more chances than the rest.

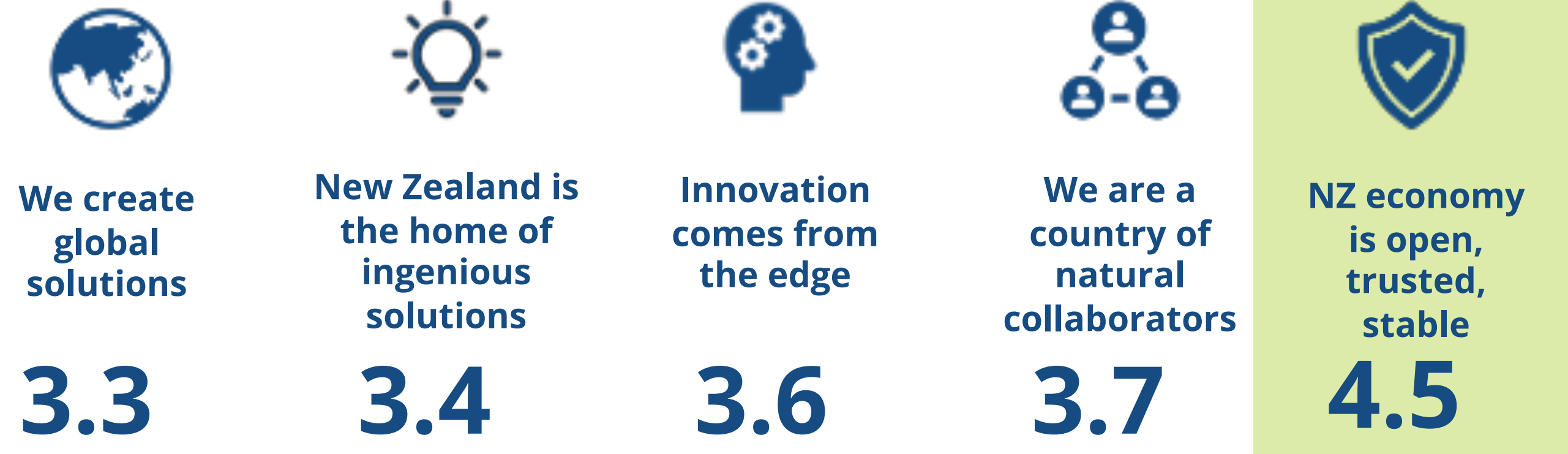
Today, this essence is still relevant, but our respondents feel it is strongly supported by a

backdrop of our open, stable, trusted economy, our values and culture, our people, and our infrastructure. This backdrop of enablers supporting our tech and innovation is the support and guardianship - the kaitiakitanga - the pōtiki needs to reach their full potential.

Insights suggest that greater adoption and engagement in the Tech Story requires a more concerted education and awareness campaign and communications to the NZ tech industry.

Which key messages resonate better with an international audience?

Testing the UpStarters key messages today shows Trust resonates the most.



Message ratings averaged across average domestic response and median international response
Source: IDC/NZTech's Tech and Innovation Story – Domestic & International Interviews, March-April 2021

Respondents today said these are powerful messages to promote New Zealand Tech and Innovation...



Message ratings averaged across average domestic response and median international response

■ Proof Points – 1

Key Message

New Zealand has an open, stable and trusted economy; it's easy to do business with us.

Our tech sector punches above its weight. We are small but mighty; we produce many innovative, quality companies.

Proof Points

- New Zealand is ranked 1st in the world for corruption transparency. Source: Transparency International (2020).
 - New Zealand is ranked 3rd out of 180 nations for Economic Freedom. Source: The Heritage Foundation (2021).
 - New Zealand ranks 1st in the world for ease of doing business. Source: World Bank (2020).
 - New Zealand ranks 1st in the world for starting a business. Source: Global Competitiveness Report (2019).
 - New Zealand ranks 1st in the world for response to COVID-19. Source: Lowy Institute (2021).
 - New Zealand ranks 7th in US News' Best Countries Overall Ranking 2021.
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- Over twenty thousand (21,870) tech companies are in New Zealand's tech sector. Source: NZTech Annual Report 2020.
 - In 2020, NZ tech companies generated NZD \$12.7B in revenue, including NZD \$9.36B from exports (10.60% growth). Source: 2020 TIN Report.
 - 11th in the world for entrepreneurial culture. Source: Global Competitiveness Report 2019.
 - Close to two thousand (1,686) startups tracked across stages and sector. Source: Callaghan Innovation Scale Up NZ project
 - High profile NZ startup exits (e.g., Seequent exits for NZD \$1.46B Vend exits for NZD \$480M)
 - NZ's local ICT market reached over NZD \$15B in 2020 (IT Hardware, Software, and Services, including, Cloud, IT, and Telecom Services). Expected to grow at 3.3% CAGR for the next 4 years.
 - New Zealand ranks 23rd on Bloomberg Innovation Index 2021

■ Proof Points - 2

Key Message

New Zealand has a pool of well educated, creative, affordable, diverse talent. Talented people come here for the lifestyle and inclusive culture and stay here for the career opportunities.

Proof Points

- New Zealand ranks 21st in the world in terms of talent competitiveness (14th among 10M population or less countries; 7th among 5M population or less. Just one ranking behind China, but a ranking ahead of Israel and the UK). Source: IMD World Talent Ranking 2020.
- Over 110 thousand (114,450) people employed in New Zealand tech companies: Source: NZTech Annual Report 2020.
- TIN200 companies employ 55,167 people or almost one-half of the industry employees. Source: TIN200 Report 2020.
- New Zealand ranks 3rd in the world in terms of inbound foreign tertiary-level students. Source: IMD World Talent Ranking 2020.
- Over three thousand (3,265) students graduated with computer science, IT, or software engineering degrees in 2019. Source: NZTech Digital Skills for Our Digital Future, 2020.
- In 2019 to end of March 2020, 42,800 New Zealand citizens returned to live in New Zealand. Source: Stats NZ.
- Of the 15,000 Kiwis living abroad that were surveyed, 7% had returned home to New Zealand and 49% intended to, due to COVID-19. 12% of those who are returning, work in technology/science. Source: KEA Survey 2020.
- Harvard Business School ranks New Zealand 6th of 60 countries in Business skills.

■ Proof Points – 3

Key Message

New Zealand's tech ecosystem is growing and maturing but we are still young enough to be agile with fresh ideas.

We create purposeful, interconnected tech for a better world today and tomorrow.

Proof Points

- In 2020, significant capital investment of \$2.4B in private equity and venture capital funds was invested in NZ tech companies. Source: TIN Investors Guide to the NZ Technology Sector 2021.
 - In 2020, NZ tech companies generated NZD \$12.7B in revenue, including NZD \$9.36B from exports (10.60% growth). Source: 2020 TIN Report.
 - Capital investment in NZ tech companies grew 111% in past 12 months. Source: TIN Investors Guide to the NZ Technology Sector 2021.
 - NZ in the top 50 in terms of emerging ecosystems. Source: Startup Genome: Global Startup Ecosystem Report 2020.
 - Over four thousand (4,462) new IT jobs created in 2019 growing at 4.7% CAGR over five years. Source: NZTech Digital Skills for Our Digital Future, 2021.
 - Auckland has the highest numbers of game developers per capita in the world. Source: Aucklandnz.com.
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- New Zealand ranks 3rd in the world for Social Purpose category in Best Countries Rankings. Source: US News Best Countries Overall Ranking 2021.
 - Technology is New Zealand's 3rd largest export sector. Source: TIN – Investor's Guide to the New Zealand Technology Sector, 2019 Edition.
 - 1.9 billion NZD generated by New Zealand HealthTech companies in 2019. Source: TIN – New Zealand HealthTech Insights Report 2020.
 - Spacetech - estimated revenue of New Zealand's space sector was NZD 1.75B in 2018-19. Source: Deloitte New Zealand Space Sector 2019
 - Fintech is among the fastest growing sectors in NZ, with revenue growing 33.2% in 2019. Source: TIN – Investor's Guide to the New Zealand Technology Sector, 2019 Edition
 - NZ ranks 19th in the world in terms of environmental performance. Source: Environmental Performance Index 2020



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Contact

For further information on the Tech Story workstream and the Digital Technologies Industry Transformation Plan (ITP) please visit:

www.digitaltechitp.nz

Please email us with your feedback at info@nztech.org.nz

