

# Understanding Stakeholder Perceptions

February 2024  
TRA X Commerce Commission

**TRA**

# Background

The Commerce Commission is New Zealand's primary competition, fair trading, consumer credit and economic regulatory agency. It plays a role in ensuring New Zealand's markets are competitive, sectors with little or no competition are appropriately regulated, and consumers and businesses are informed, empowered and have their interests protected.

The Commerce Commission places a strong emphasis on monitoring its performance, using impact indicators and operational-level output measures. A critical aspect of this evaluation is gauging how the Commerce Commission is perceived by its key stakeholders and the value they perceive in its activities.

In 2022, TRA conducted benchmark research, involving both qualitative and quantitative work. The survey component (based on the qualitative findings) covered four key areas: overall performance, communication, engagement, and decision-making processes.

The purpose of this survey is to measure the Commerce Commission's performance against the SOI.

# Research Objectives

- The objective of the research is to help us understand how the Commerce Commission is viewed by their key stakeholders. Specifically:
  - Current perceptions of the Commerce Commission and how healthy the relationships are with the key stakeholder groups who have an influence on effectiveness.
  - Stakeholders' engagement experiences and expectations.
  - A regulatory system view of how effective stakeholders think the Commerce Commission are at regulating their respective markets.
  - Stakeholders' engagement experiences and expectations.
- Provide repeatable SOI measures via an annual stakeholder survey, that:
  - Measures current performance and role of the Commerce Commission in engaging with stakeholders.
  - Measures performance across Commerce Commission's role, communication, engagement, and decision making.

# Methodology

A 10-minute online survey was conducted to engage key stakeholders of the Commerce Commission.

Of the 4,227 stakeholders invited to complete the survey, n=301 completed.

The Commerce Commission used their e-mail contact list to invite stakeholders to the survey via an embedded survey link, which took them directly to the TRA survey. All data was collected and analysed by TRA using their survey platform.

The questionnaire and methodology remained consistent with 2022 to ensure comparability, with minor adjustments made to address new topics. Results were compared to 2022 where applicable.

To enhance the survey response rate and respect stakeholder preferences of answering questions, individuals were given the choice to skip questions they did not wish to answer. As a result, there may be variations in base sizes.

Each year the sample is sourced from the various branches of the Commerce Commission. This approach ensures that the survey captures a cross-section of stakeholders relevant to that particular year. However, it's important to note that the composition of the sample may change from year to year. More details on the following page.

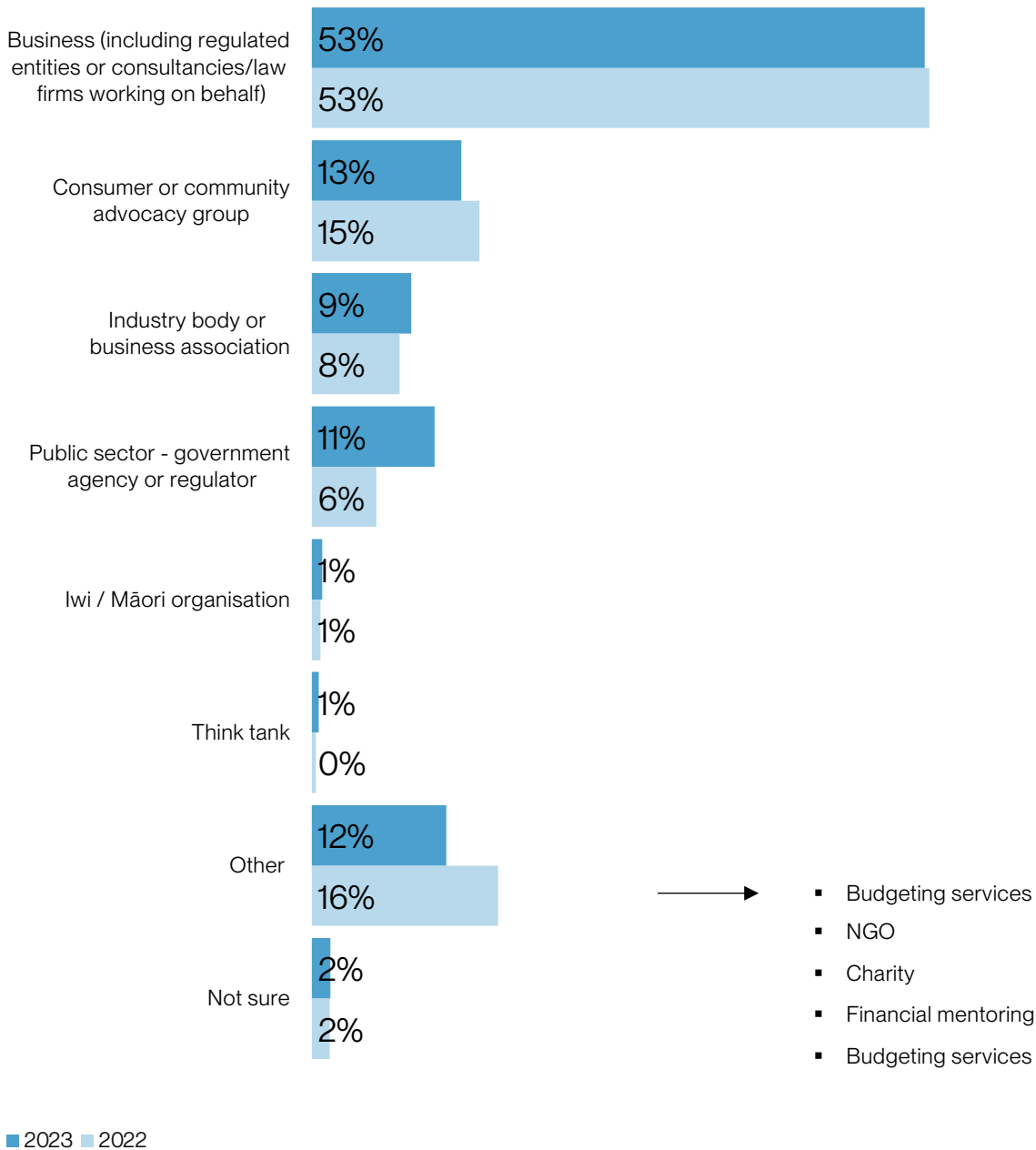
Fieldwork commenced: 4<sup>th</sup> December – 22<sup>nd</sup> December 2023.

The margin of error at the 95% confidence interval is +/-5.7% on a sample size of ~300. All results have been statistically tested at the 95% significance level. Differences compared to the 2022 and the overall total are indicated throughout the report.

A comprehensive appendix containing results for audience groups and complete responses for questions is available.

# Who did we hear from in our quantitative survey?

A total sample size of n=301 in 2023, an increase from n=248 in 2022.

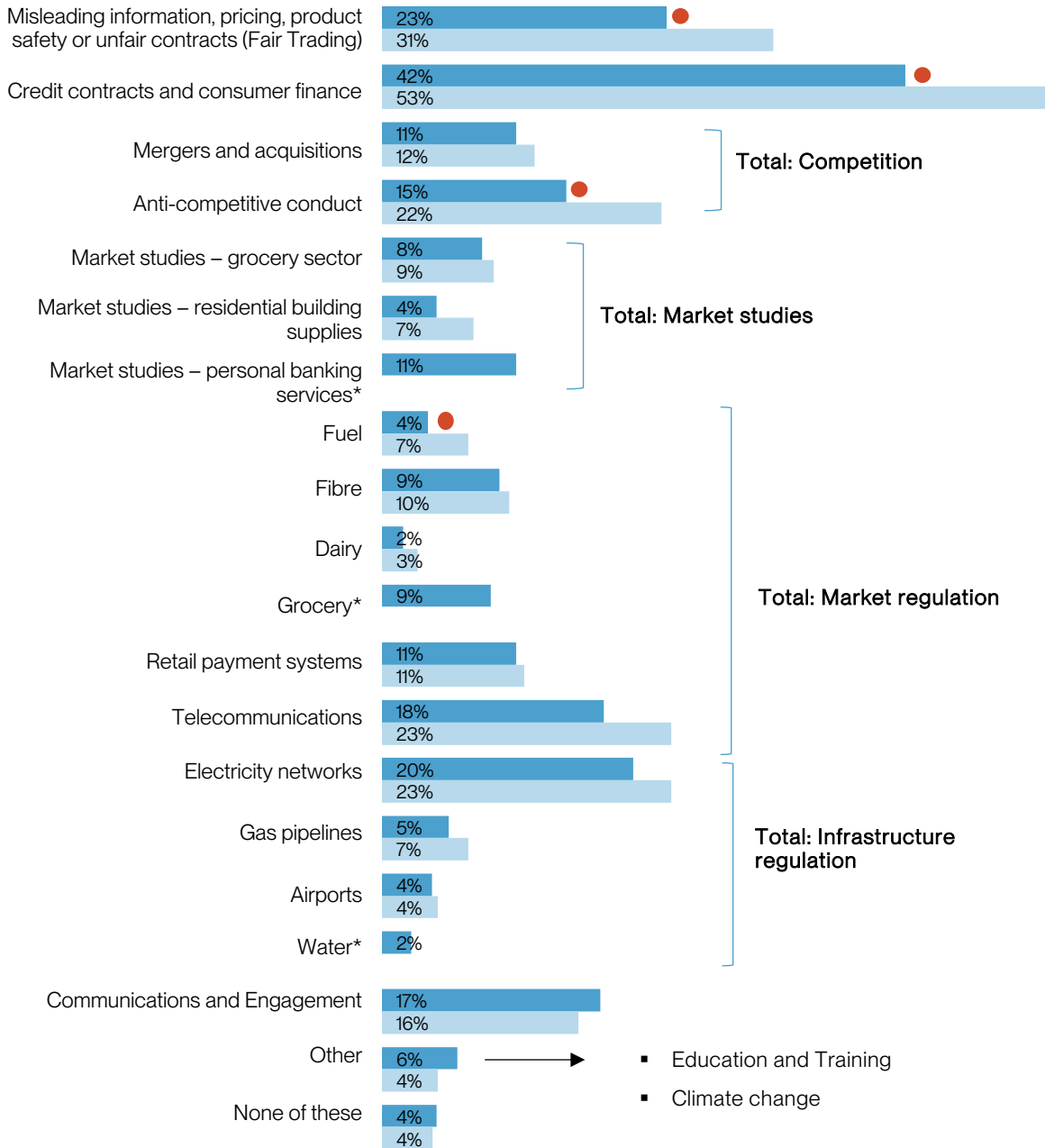


Most respondents described their organisation as a business (53%). When interpreting the quantitative results at the total level, we need to keep in mind that the sample’s representation is skewed towards this group.

Source: Commerce Commission stakeholder questionnaire  
 Q: Which of the following groups best describes your organisation?  
 Base: Total sample '22 n=248, '23 n=301, business subgroup n=159.

# We received responses from stakeholders across all regulatory areas

## Reasons stakeholders interact with the Commerce Commission



Source: Commerce Commission stakeholder questionnaire  
 Q: Which of the following areas have you engaged with the Commerce Commission on?  
 Base: Total sample '22 n=248, '23 n=301.

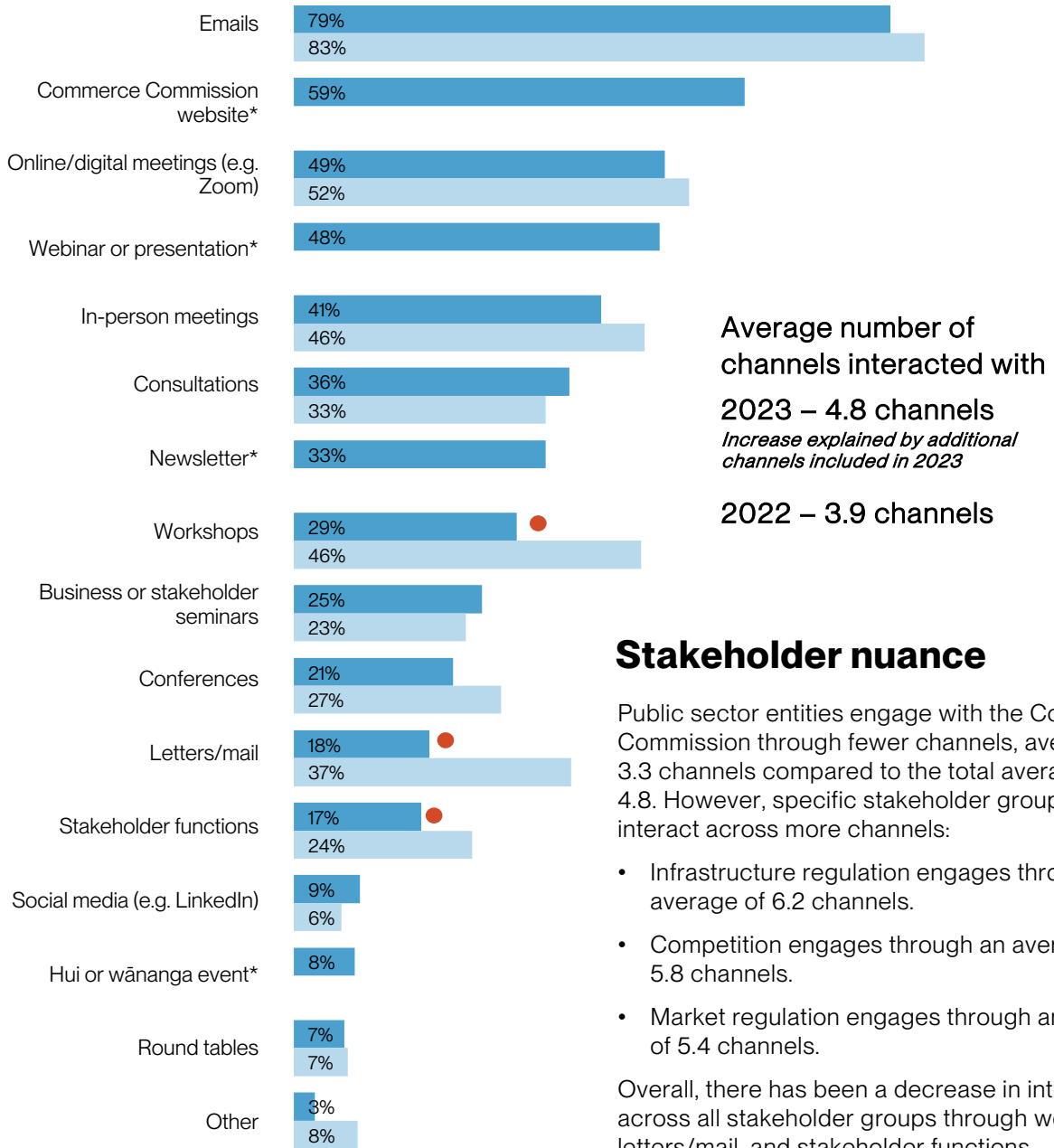
The sum of these results is greater than 100%; this is because respondents were able to select multiple options for this question.

\*Added in 2023

Market Studies in 2022 does not include personal banking services. Market regulation in 2022 does not include grocery. Infrastructure regulation in 2022 does not include water as these options were added in 2023. All comparisons are exact and do not involve these new additions.

# Stakeholders have interacted with the Commerce Commission across numerous channels

## Channels stakeholders interact with the Commerce Commission



### Stakeholder nuance

Public sector entities engage with the Commerce Commission through fewer channels, averaging 3.3 channels compared to the total average of 4.8. However, specific stakeholder groups interact across more channels:

- Infrastructure regulation engages through an average of 6.2 channels.
- Competition engages through an average of 5.8 channels.
- Market regulation engages through an average of 5.4 channels.

Overall, there has been a decrease in interaction across all stakeholder groups through workshops, letters/mail, and stakeholder functions.

● ● Significantly higher/lower than 2022

■ 2023 ■ 2022

Source: Commerce Commission stakeholder questionnaire

\*Added in 2023

Q: Please select the ways in which you interact or engage with the Commerce Commission

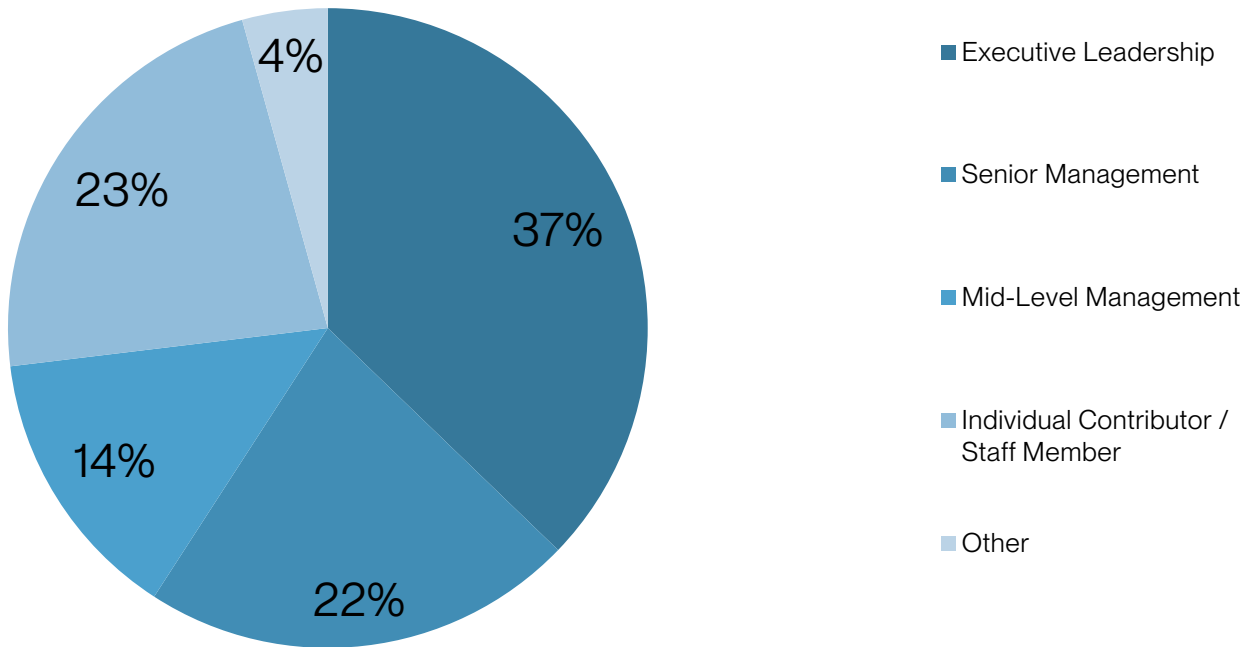
Base: Those who have interacted or engaged with the Commerce Commission '22 n=248, '23 n=286

The sum of these results is greater than 100%; this is because respondents were able to select multiple options for this question.

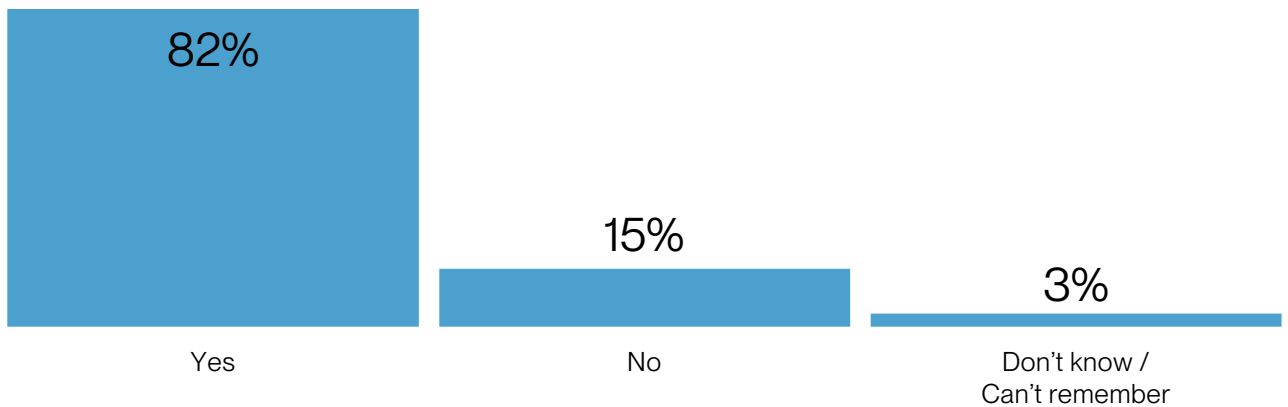
\*Added in 2023

# Stakeholders who responded are a mix of levels, with majority interacting with the Commerce Commission in the last year

Respondent management level



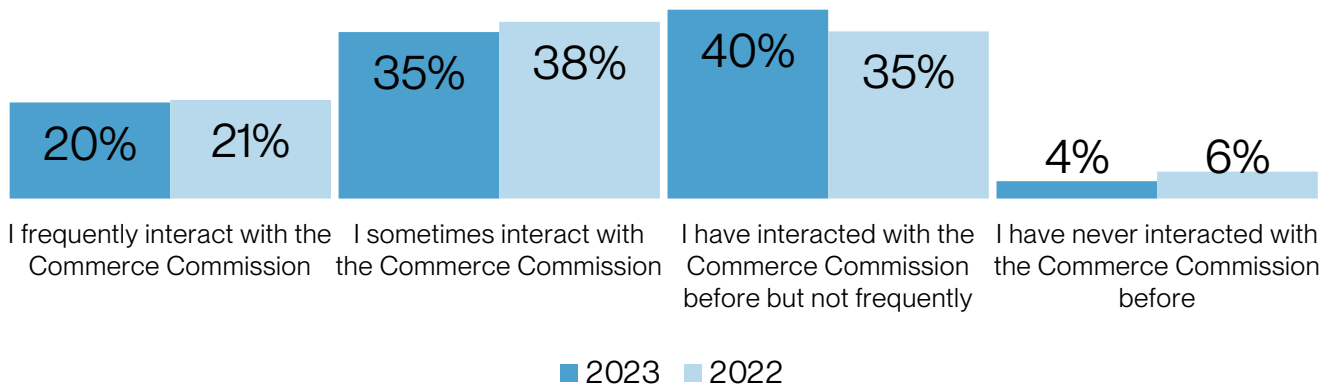
Commerce Commission engagement or interaction in the last 12 months



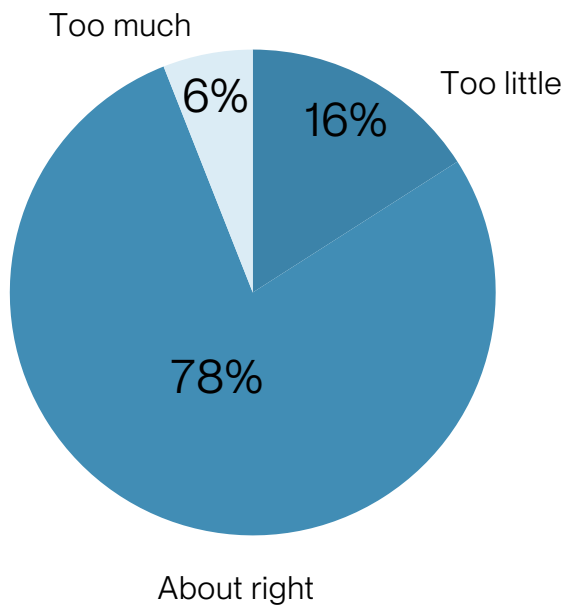
Source: Commerce Commission stakeholder questionnaire  
 Q: Are you a decision maker within your business or organisation?  
 Q: Have you engaged or interacted with the Commerce Commission in the last 12 months?  
 Base: Total sample '23 n=301.

# The majority of stakeholders consider their interaction level with the Commerce Commission to be appropriate, with most interactions occurring infrequently

Commerce Commission interaction frequency



Interaction level



## Stakeholder nuance

Public Sector organisations are engaging with the Commerce Commission less often, whereas those involved in Competition, Market Regulation, and Infrastructure Regulation are engaging more frequently.

Overall, most stakeholders feel they have an appropriate level of interaction with the Commerce Commission.

For stakeholders who interact with the Commerce Commission on Market Regulation, fewer stakeholders feel they have "too little" interaction, dropping from 24% to 14%, while more now feel they have "too much" interaction, rising from 1% to 12%.

Source: Commerce Commission stakeholder questionnaire

Q: Which of the following best describes the amount of contact you have with the Commerce Commission Base: Total sample '22 n=248.

Q: Which of the following best describes your interaction with the Commerce Commission Base: Total sample '23 n=300.



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# The role and vision of the Commerce Commission



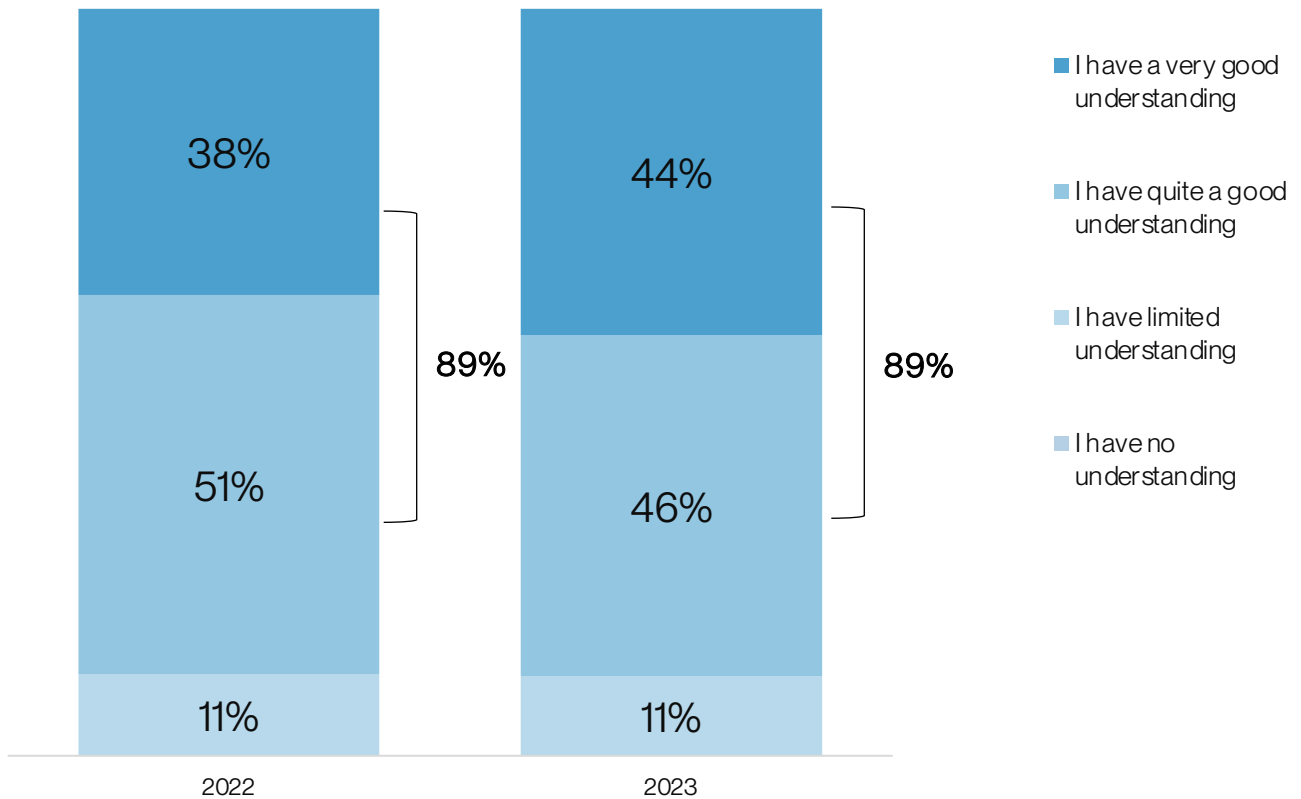
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**1**

# Majority of stakeholders feel that they have a broad understanding of the Commerce Commission’s role, this is consistent with 2022

Although not statistically significant, there has been some uplift in stakeholders stating that they have a ‘very good’ understanding of the Commerce Commission and its role.

## Level of understanding of the Commerce Commission



● Significantly higher/lower than 2022

## Stakeholder nuance

While Public Sector organisations still demonstrate a high understanding of the Commerce Commission, this is significantly lower than the total understanding across all stakeholders. (75% very/quite good understanding vs 89% total). This is likely because this group has less interaction with the Commerce Commission.

Businesses have a significantly higher understanding (94% very/quite good understanding vs 89% total).

Those who have interacted with the Commerce Commission on Competition and Infrastructure have higher levels of very good understanding (67%, 59%, respectively).

No significant differences between subgroups over time.

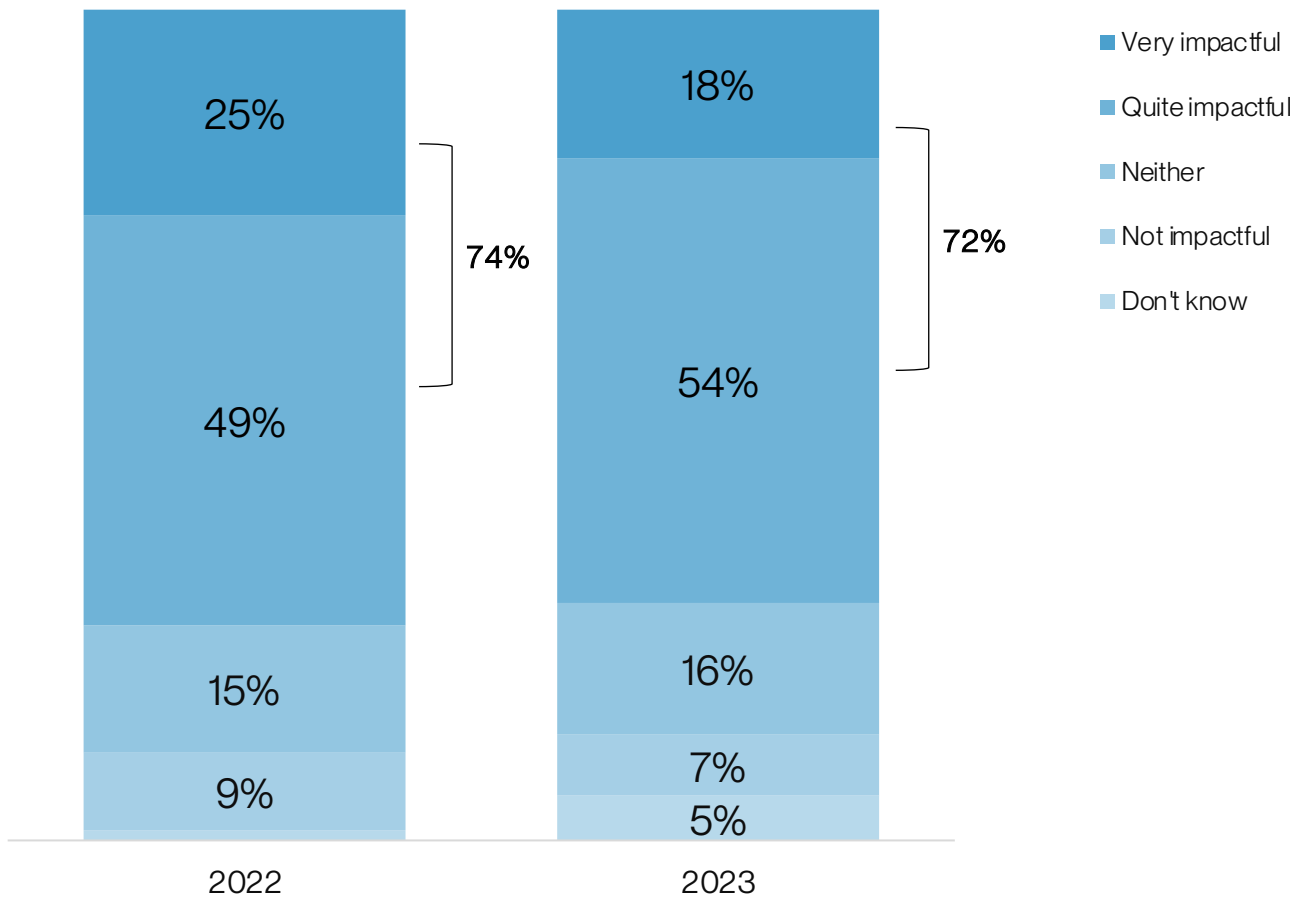
Source: Commerce Commission stakeholder questionnaire  
 Q: Which best describes your level of understanding of the Commerce Commission and its role?  
 Base: Total sample '22 n=248, '23 n=300

# Stakeholders continue to see the Commerce Commission as impactful on New Zealanders

Although not statistically significant, there have been some slight declines in stakeholders perceptions of the Commerce Commission’s impact.

## Impact of the Commerce Commission on New Zealanders

Very impactful / quite impactful



● Significantly higher/lower than 2022

## Stakeholder nuance

Those who interact with the Commerce Commission on Market studies are less statistically significantly likely to perceive Commerce Commission as impactful (50% very/quite impactful vs 72% total).

No significant differences between subgroups over time.

Source: Commerce Commission stakeholder questionnaire  
 Q Thinking about the Commerce Commission and the value it delivers for New Zealanders, how impactful is the Commerce Commission?  
 Base: Total sample '22 n=248, '23 n=299

# When stakeholders were asked what the Commerce Commission's role is off the top of their heads...

This year, regulation was the most frequently mentioned theme, followed by a new emphasis on fairness. There was a decrease in the number of people describing the Commerce Commission's role as enforcement.

**44%** described the Commerce Commission's focus as **regulation**, compared to 42% in 2022, and **29%** described its role as **enforcement**, down from 37% in 2022.

New themes gained prominence in 2023:

Fairness: **36%**

Monitoring/Overseeing: **19%**

Promoting fair competition: **17%**

“

*To keep an eye on the progress of the Aotearoa economy ensuring fairness.*

*Oversee the economic and commercial workings of an industry to ensure the industry is working correctly.*

*To regulate industries to allow for fair competition.*

”

Source: Commerce Commission stakeholder questionnaire  
Q: How would you describe the primary role of the Commerce Commission? Open ended (coded)  
Base: Total sample '23 n=248, '24 n=288

**What is  
important to  
stakeholders?**



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# Stakeholders' priorities are shaped by four overarching themes:

Although the Commerce Commission has its own indicators of what good performance means, stakeholders shared their own views. From the qualitative stage in 2022, four themes emerged:

## Independent and Impartial

Of any organisation and government

## Knowledgeable Understanding

Demonstrates knowledge and expertise in specific industries/sectors/context

## Balanced Actions

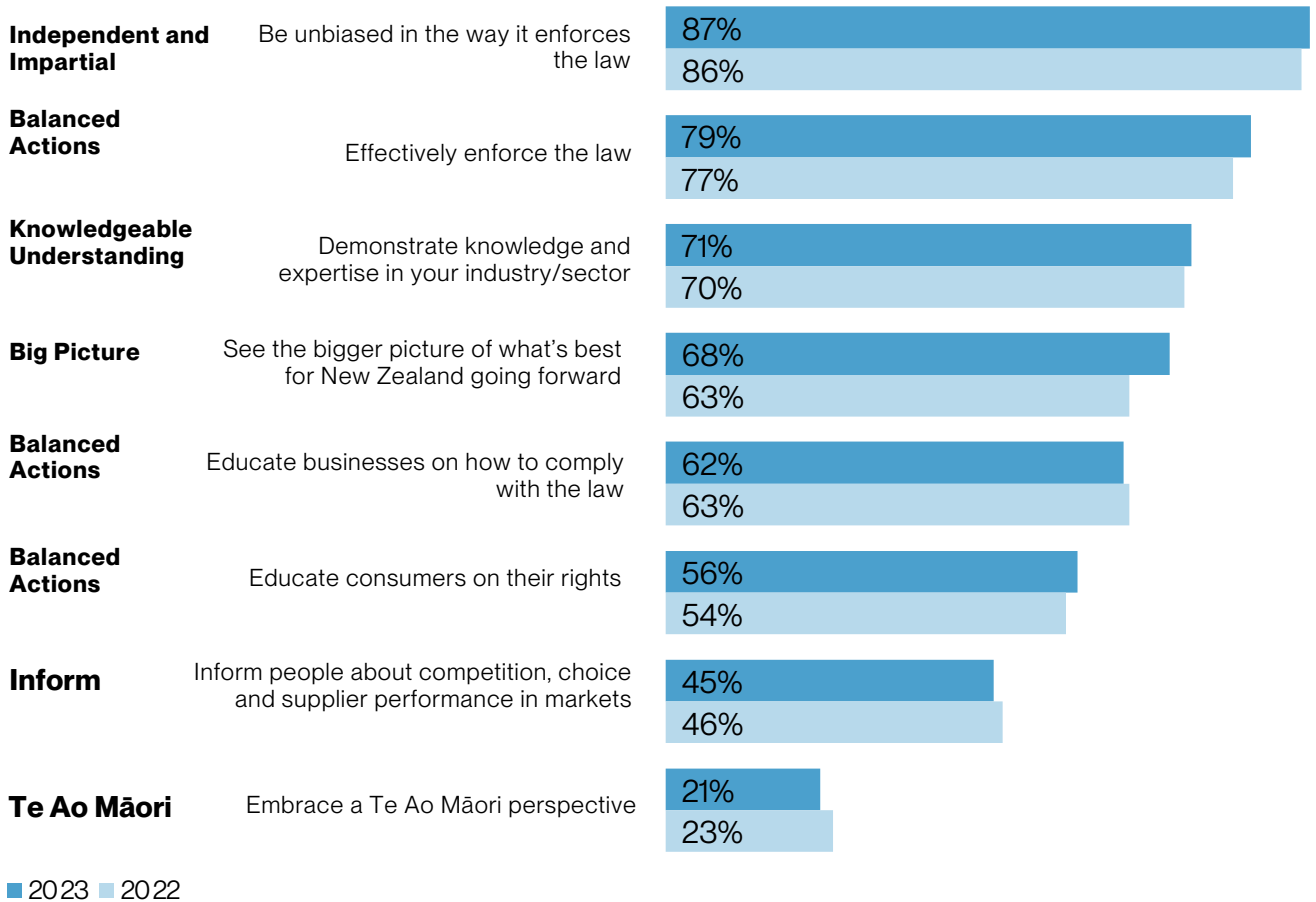
The right balance of enforcement vs educative behaviours

## Big Picture

Takes the whole picture into consideration, not purely economic factors

# The areas important for the Commerce Commission to fulfill in its role have remained consistent, focusing on impartiality and the effective enforcement of the law

Importance of the Commerce Commission to act in its role (Very Important)



● Significantly higher/lower than 2022

## Stakeholder nuance

Those who have interacted with the Commerce Commission on Credit Contracts and Consumer Finance place a statistically significant higher importance on educating businesses on how to comply with the law (77% vs 62% total) and educating consumers on their rights (66% vs 56% total).

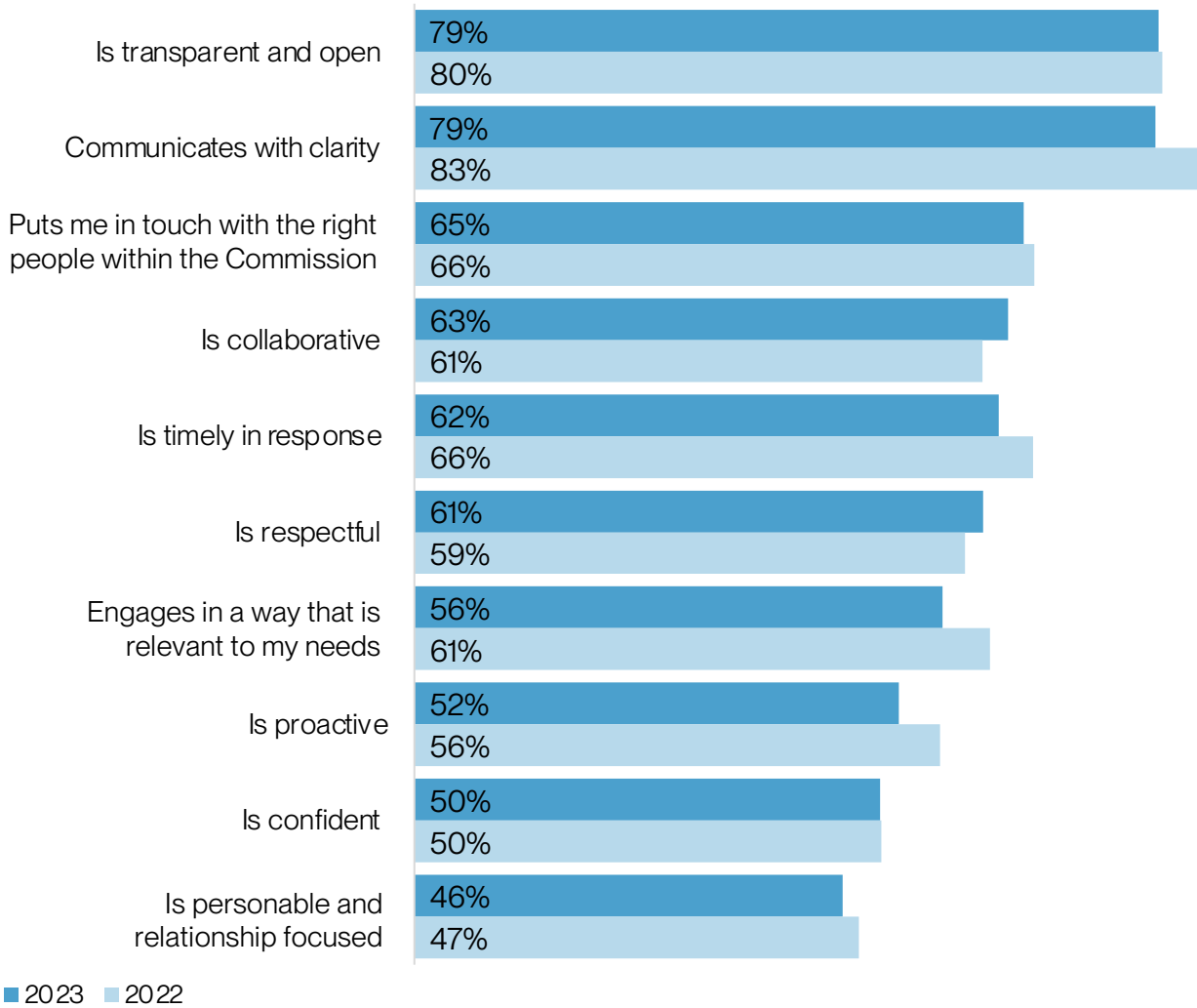
No significant differences between subgroups over time.

Source: Commerce Commission stakeholder questionnaire  
 Q Thinking about the Commerce Commission's role, how important is it for the Commerce Commission to...  
 Base: Total sample '22 n=241, '23 n=296



# Stakeholders continue to prioritise transparency and clarity as the most crucial aspects in how the Commerce Commission communicates

Importance of the Commerce Commission in communicating  
(Very Important)



● Significantly higher/lower than 2022

## Stakeholder nuance

Those who have interacted with Commerce Commission on Credit Contracts and Consumer Finance place higher importance on being personable and relationship focused (56% vs 46% total), respectful (72% vs 61% total) and confident (60% vs 50% total).

Consumer or Community Advocacy Groups place a statistically significant higher importance on being proactive (77% vs 52% total).

No statistically significant differences between subgroups over time.

Source: Commerce Commission stakeholder questionnaire  
Q: Thinking about how the Commerce Commission communicates and engages with you, how important is it that the Commerce Commission...  
Base: Total sample '22 n=241, '23 n=296

# Commerce Commission perceptions

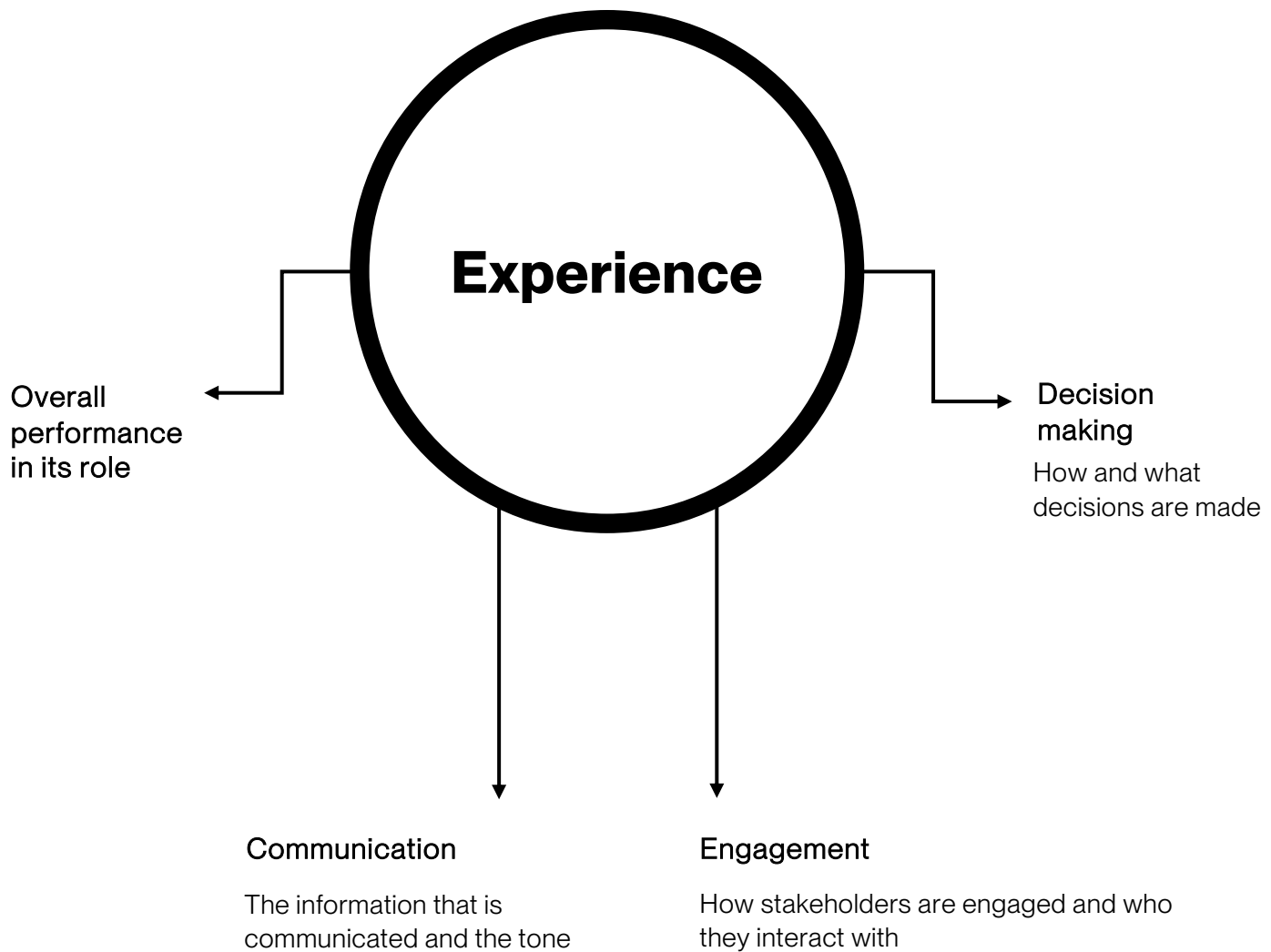
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# Experience perceptions are a culmination of multiple factors

The initial qualitative stage conducted in 2022 identified four overarching areas that form the basis of perceptions of stakeholders' experience with the Commerce Commission.

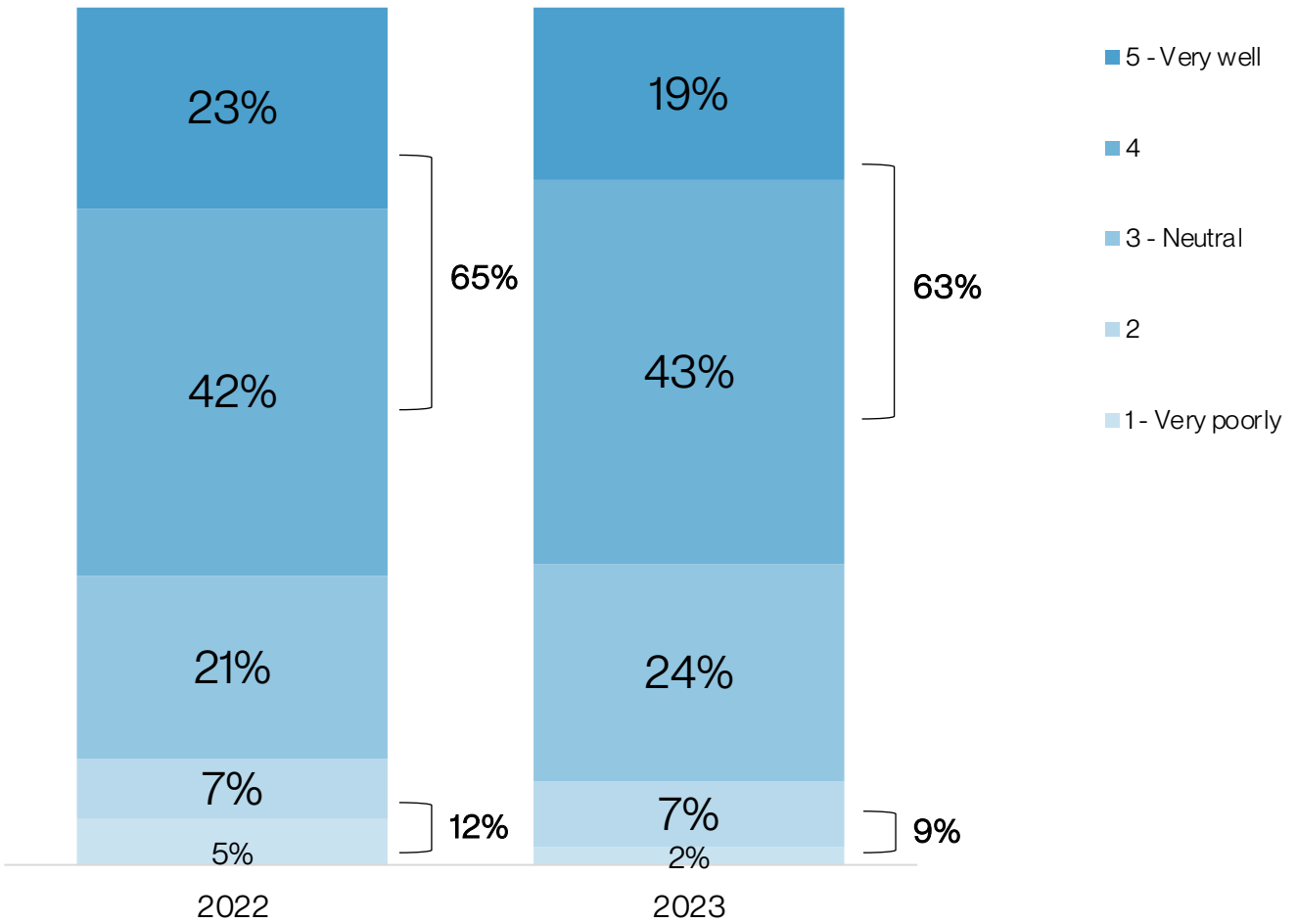


# Overall Performance of the Commerce Commission in its role

# Overall, the Commerce Commission continues to perform well in its role

Over half of stakeholders (63%) express satisfaction with the overall performance of the Commerce Commission in its role. However, there is an opportunity to enhance the perceptions of those who hold a neutral stance.

## Perception of the Commerce Commission’s performance in its role overall



● Significantly higher/lower than 2022

## Stakeholder nuance

No significant differences across subgroups.

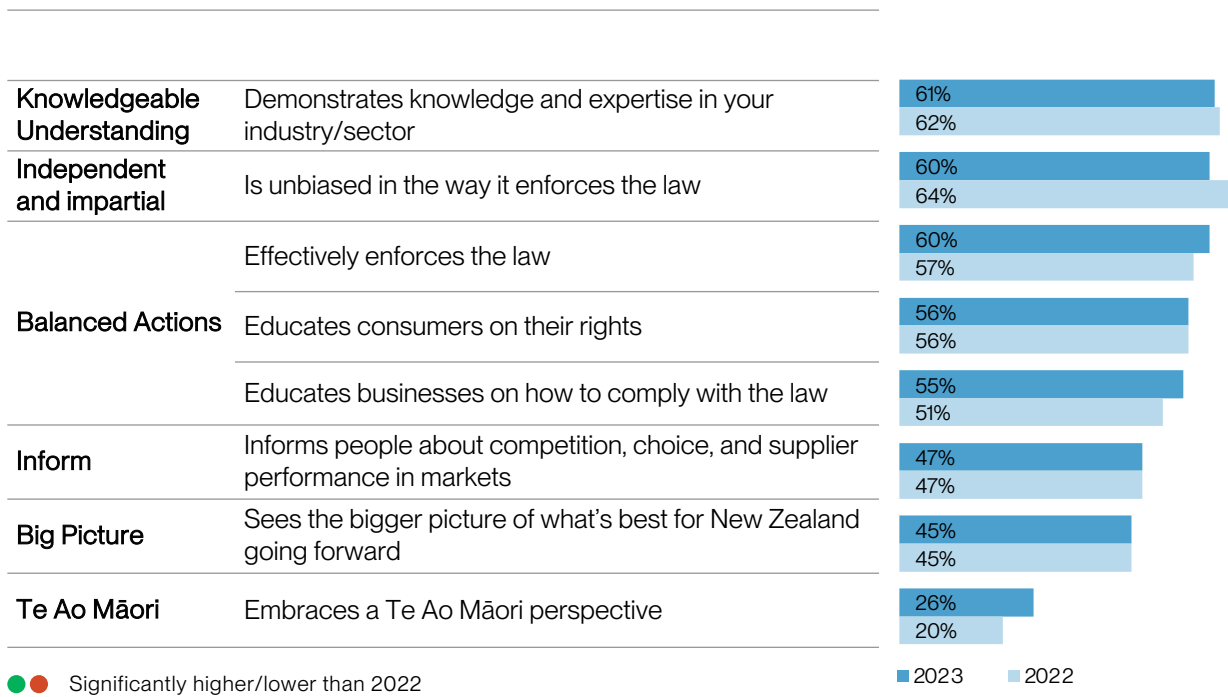
Stakeholders who have interacted with the Commerce Commission on Market Regulation have observed a significant decrease in their perception of the Commerce Commission's performance in its overall role, dropping from 72% to 56%. Similarly, those who interacted on Infrastructure Regulation have also witnessed a significant decline, falling from 75% to 57%.

Source: Commerce Commission stakeholder questionnaire  
 Q: How well do you believe the Commerce Commission performs in its role overall? Base: Total sample '22 n=249, '23 n=300  
 The data does not sum up to 100% due to the exclusion of the "don't know" option

# Stakeholders' perceptions of the Commerce Commission's performance in its role remain stable

The Commerce Commission continues to excel in showcasing knowledge and expertise, while also upholding impartiality in law enforcement and effectively enforcing the law.

% of stakeholders who agree that the Commerce Commission...



## Stakeholder nuance

No significant differences across subgroups.

Stakeholder performance over time is largely stable except for statistically significant differences in:

Stakeholders who have engaged with the Commerce Commission on Market Regulation have experienced a decline in their performance since 2022.

- Demonstrates knowledge and expertise in your industry (-14%)
- Unbiased in the way it enforces the law (-15%)
- Informs people about competition, choice, and supplier performance in markets (-18%)

Stakeholders who have engaged with the Commerce Commission on Infrastructure Regulation have experienced a decline in their performance since 2022.

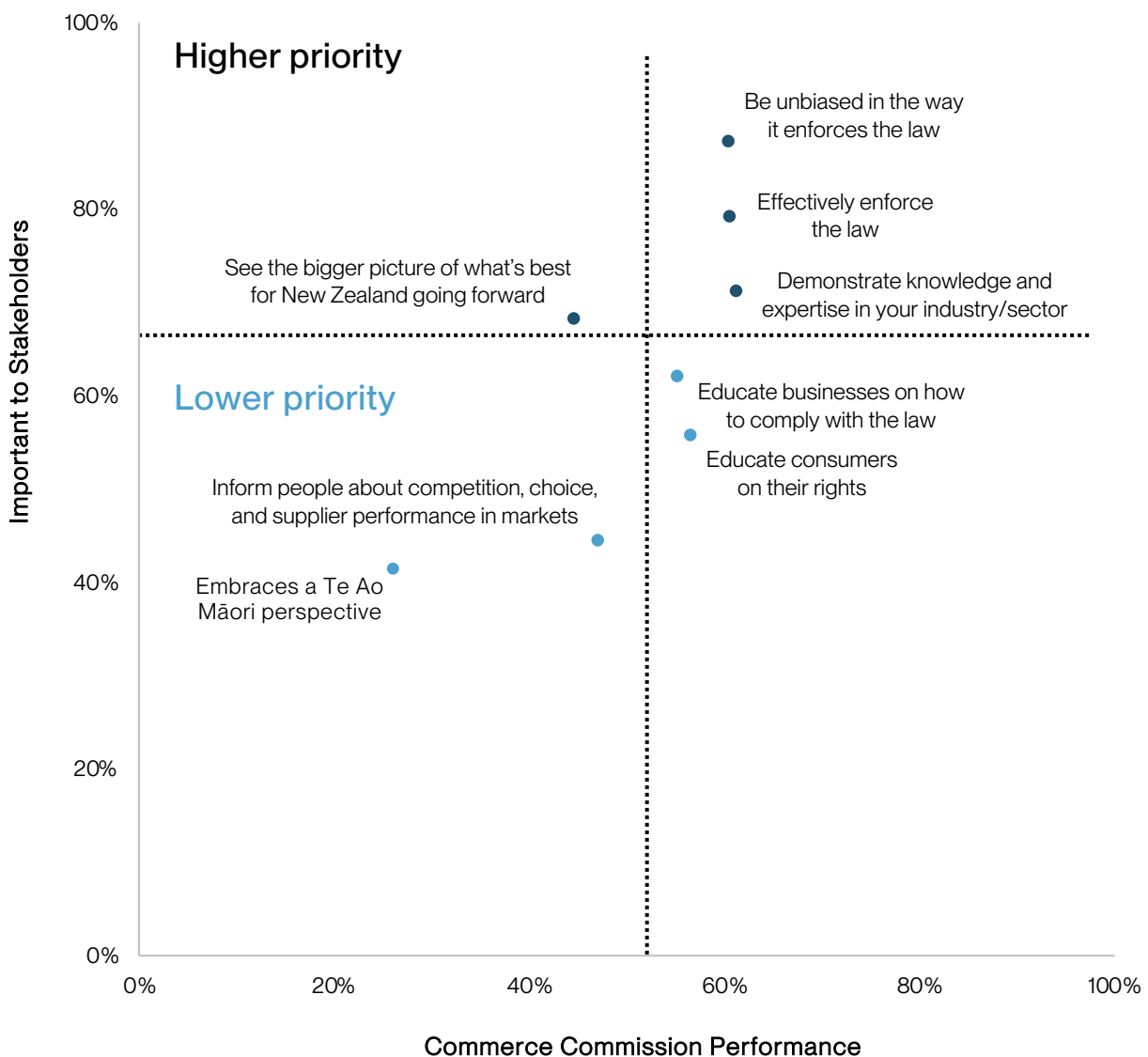
- Unbiased in the way it enforces the law (-16%)
- Sees the bigger picture of what's best for New Zealand going forward (-17%)

Source: Commerce Commission stakeholder questionnaire  
 Q: How strongly do you agree or disagree that the Commerce Commission...  
 Base: Total sample '22 n=249, '23 n=301

# We can prioritise where to focus by considering what matters most to stakeholders and evaluating the current performance of the Commerce Commission

All of these aspects hold significance for stakeholders, and the Commerce Commission demonstrates its greatest strength in the areas that are most important to them. However, the first priority should be improving aspects that are of highest importance to stakeholders, especially where performance is lower.

## Importance vs Performance – Overall



Source: Commerce Commission stakeholder questionnaire  
 Q: How strongly do you agree or disagree that the Commerce Commission...  
 Q Thinking about the Commerce Commission's role, how important is it for the Commerce Commission to...  
 Base: Total sample '23 performance n=299, importance n=296

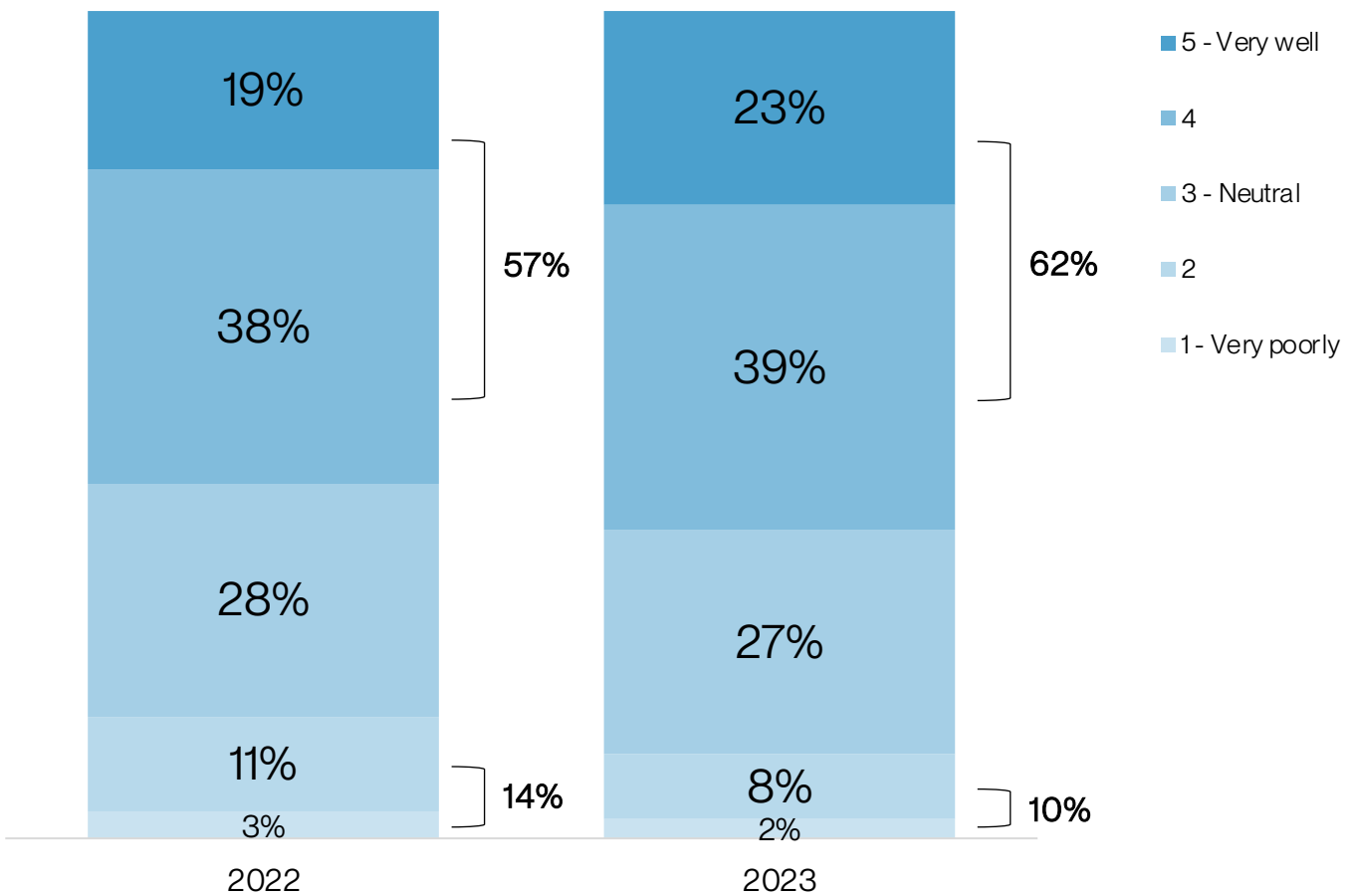
# Communication and Engagement Perceptions



# Stakeholders' perceptions of the Commerce Commission's performance in communication and engagement remains strong

Although not statistically significant, there has been an uplift in stakeholders with a 'very good' understanding and a decline in stakeholders with a poor understanding.

## Communication/engagement performance perceptions



## Stakeholder nuance

No significant differences across subgroups.

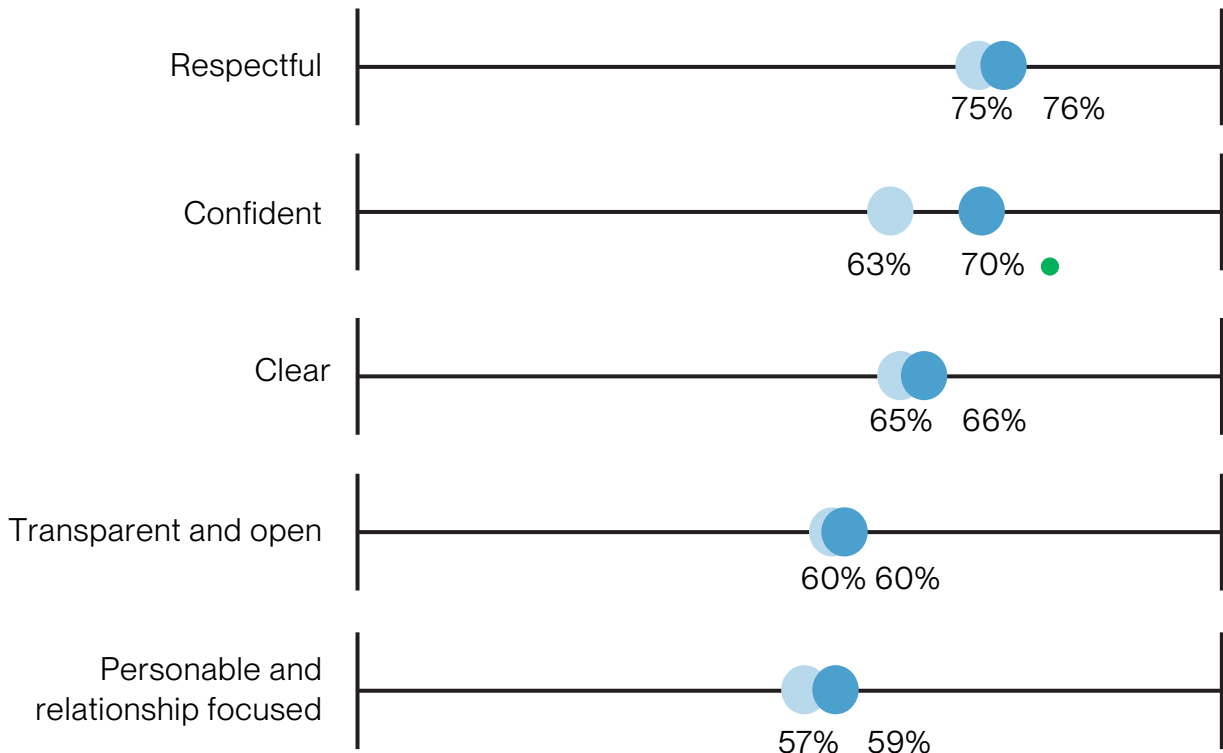
No significant differences between subgroups over time.

Source: Commerce Commission stakeholder questionnaire  
 Q: How well do you believe the Commerce Commission performs in how they communicate and engage?  
 Base: Total sample '22 n=248, '23 n=300

# Communication performance snapshot

Communication performance remains largely consistent from year to year, however, there has been a statistically significant increase in stakeholders who think that the Commerce Commission communicate confidently.

Percent of stakeholders who agree that the Commerce Commission communications are:



● Significantly higher/lower than 2022    ■ 2022    ■ 2023

## Stakeholder nuance

Public sector organisations rate the Commerce Commission significantly higher across all communication aspects. Consumer or Community Advocacy groups rate the Commerce Commission higher on being respectful.

Those who interacted with the Commerce Commission on Market Studies are significantly less likely to think the Commerce Commission are personable and relationship focused.

Stakeholders who interacted with the Commerce Commission on Market Regulation have seen a decline in their perceptions of transparency and openness, with a decrease from 71% in 2022 to 53% in 2023.

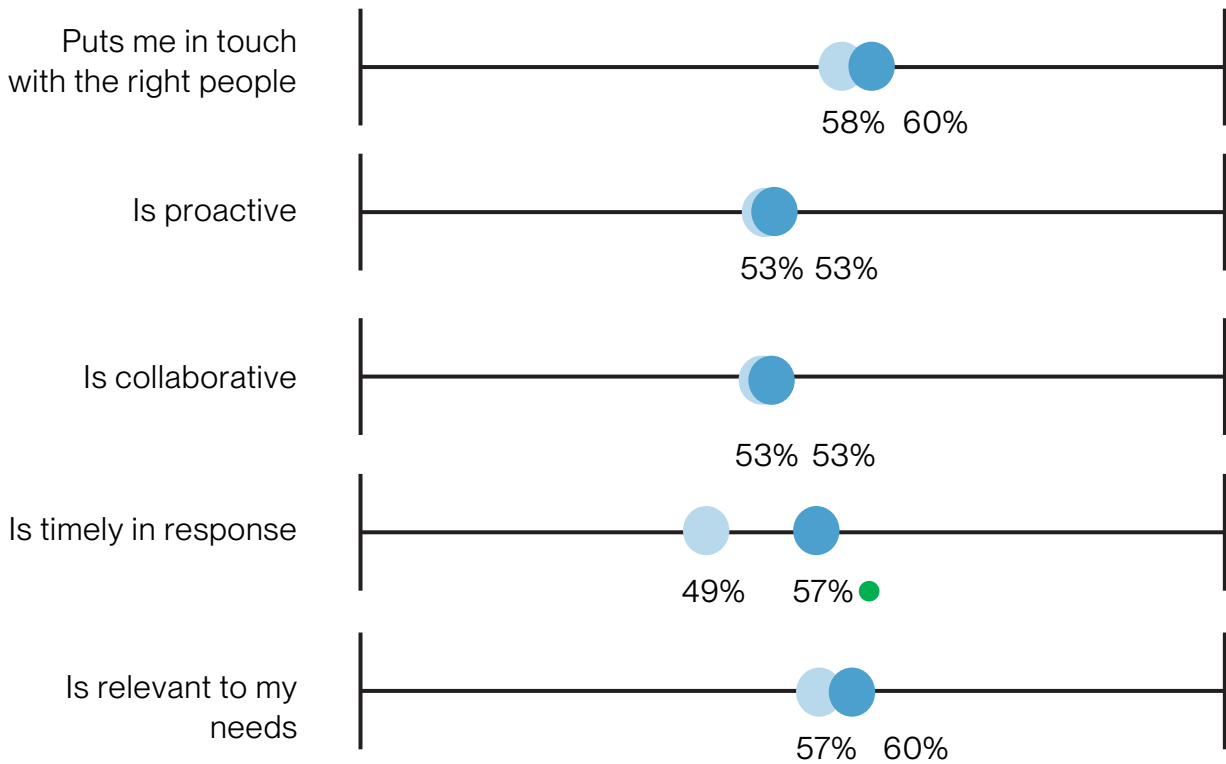
The increase in perceptions of ‘confident’ is driven by increases across most stakeholder groups since 2022. In particular, Public Sector (+20%), Consumer or Community Advocacy Groups (+19%) and those who interacted with the Commerce Commission on Market Studies (+15%).

Source: Commerce Commission stakeholder questionnaire  
 Q: Thinking about how the Commerce Commission communicates and engages with you, how strongly do you agree or disagree that the Commerce Commission is...  
 Base: Total sample '22 n=248, '23 n=300

# Engagement performance snapshot

Performance on engagement principles are largely stable year on year, however, there are statistically significant improvements in the Commerce Commission’s perceptions of being timely in response.

Percent of stakeholders who agree that the Commerce Commission engage in a way that...



● Significantly higher/lower than 2022    ■ 2022    ■ 2023

## Stakeholder nuance

Public sector organisations rate the Commerce Commission significantly higher across all engagement aspects.

Stakeholders who interacted with the Commerce Commission on Infrastructure Regulation have seen a decline in their perceptions of collaborative, with a decrease from 56% in 2022 to 39% in 2023.

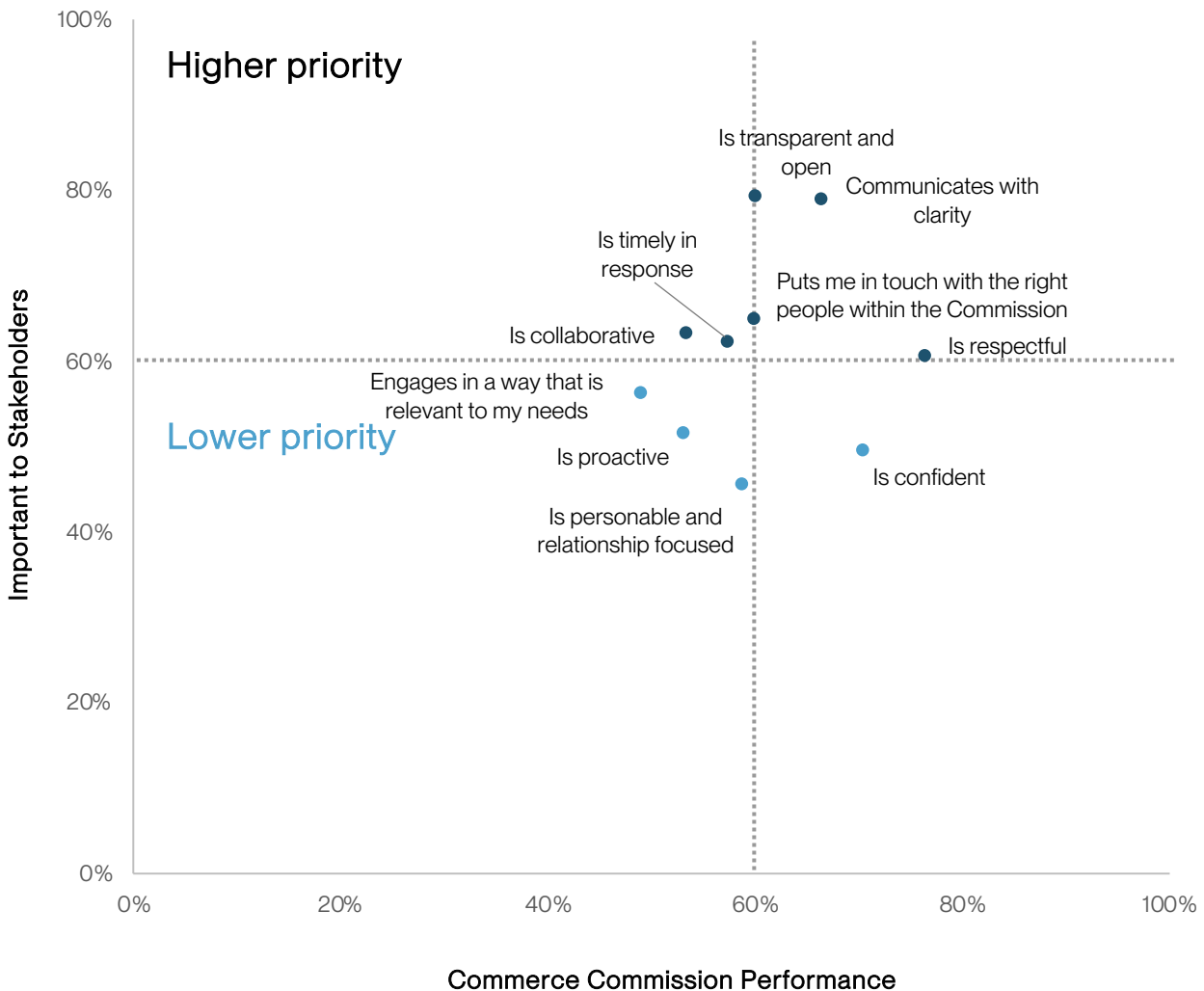
The statistically significant increase in ‘timeliness in response’ is driven by increases amongst businesses (+10%), stakeholders who interacted with the Commerce Commission on Credit Contracts and Consumer Finance (+7%) and Competition (+7%).

Source: Commerce Commission stakeholder questionnaire  
 Q: Thinking about how the Commerce Commission communicates and engages with you, how strongly do you agree or disagree that the Commerce Commission...  
 Base: Total sample '22 n=248, '23 n=299

# Narrowing down the focus to pinpoint priorities, specifically in the realm of communication and engagement

Positively, the Commerce Commission performs strongest on areas of high importance to stakeholders. There are clear focus areas where the Commerce Commission should focus their communication and engagement efforts, emphasising being collaborative, timely in response, and putting stakeholders in touch with the right people.

Importance vs Performance – Communication & Engagement



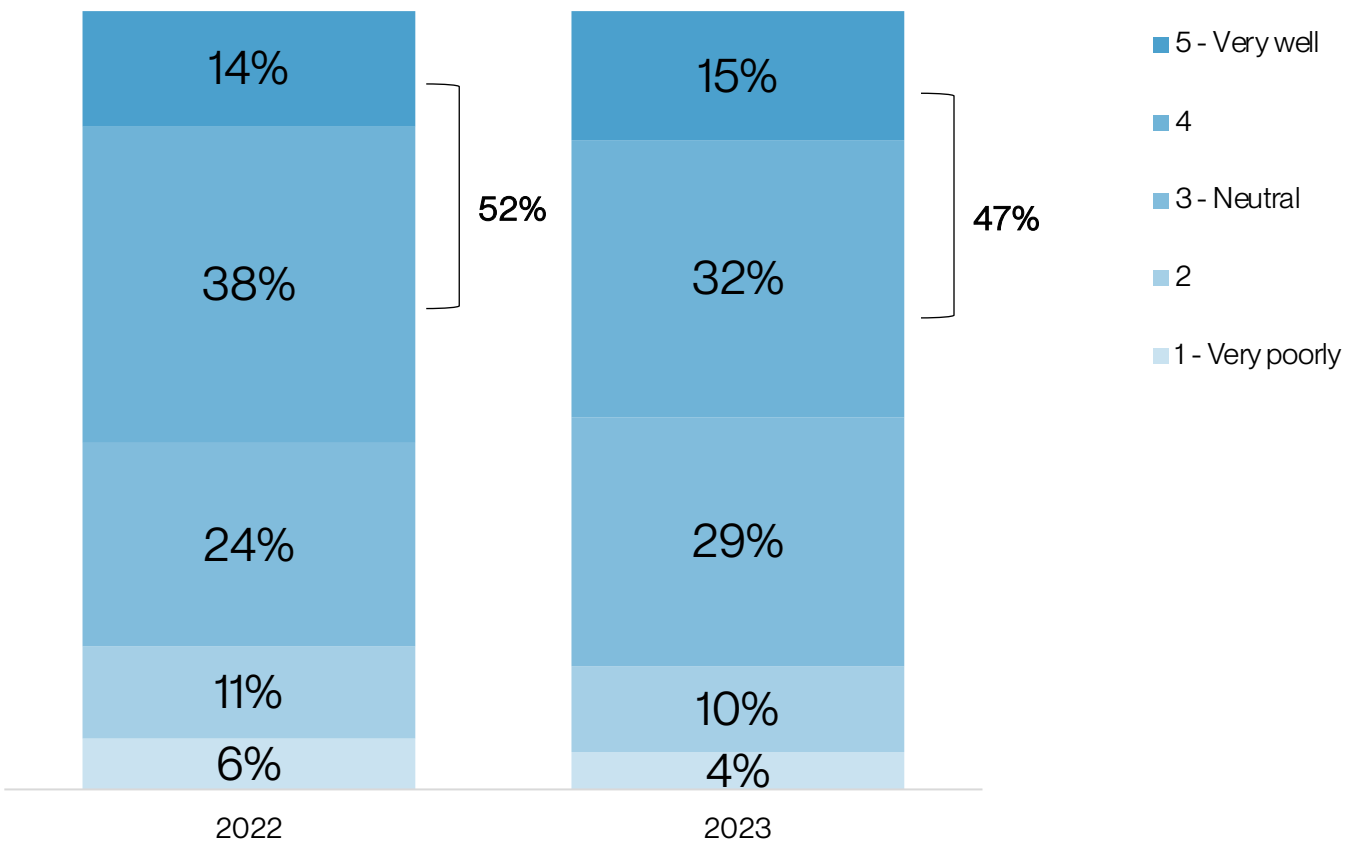
Source: Commerce Commission stakeholder questionnaire  
 Q: Thinking about how the Commerce Commission communicates and engages with you, how strongly do you agree or disagree that the Commerce Commission...  
 Q: Thinking about how the Commerce Commission communicates and engages with you, how strongly do you agree or disagree that the Commerce Commission is...  
 Base: Total sample '23 performance n=299, importance n=296

# Decision Making Perceptions

# Stakeholders' views on the Commerce Commission's performance in decision-making remain consistent

Although not statistically significant, there has been a slight decline in stakeholders who think the Commerce Commission perform very well or well on their decision making.

## Decision making performance perceptions



● Significantly higher/lower than 2022

## Stakeholder nuance

Public sector organisations rate the Commerce Commission significantly higher on how they go about making decisions (59% vs 47% total).

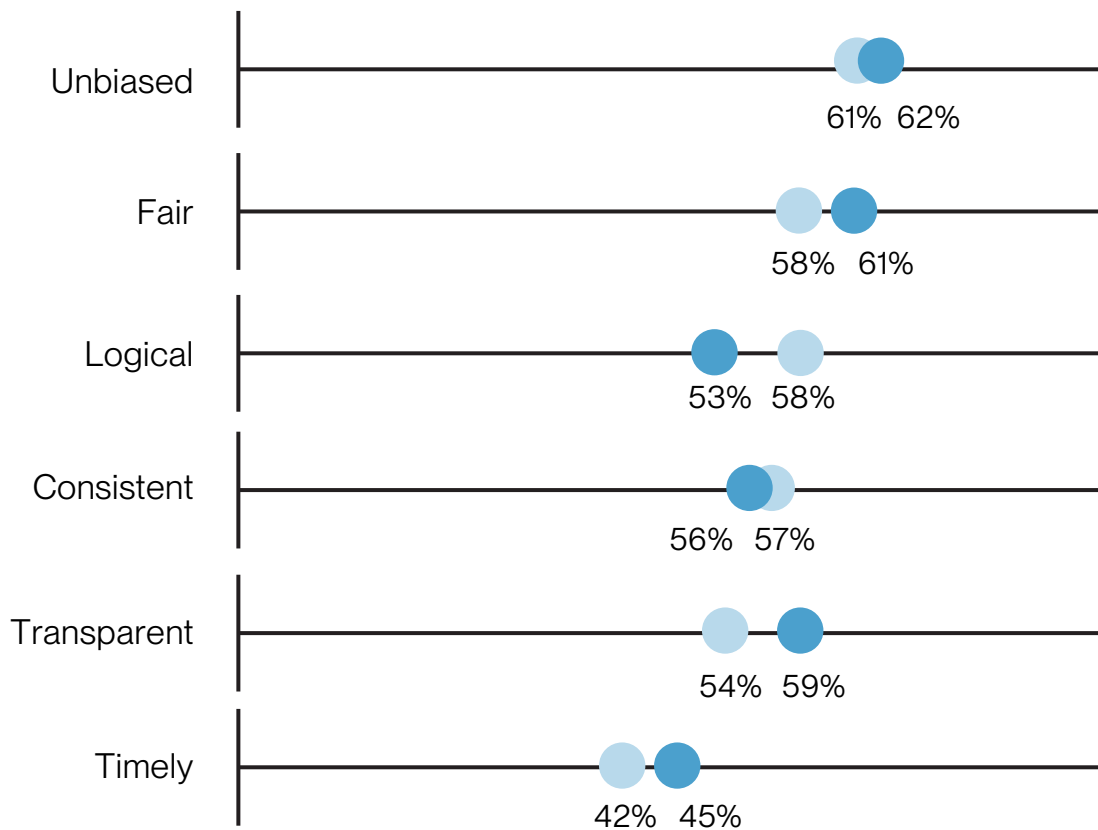
Stakeholders engaging with the Commerce Commission for Market Regulation and Infrastructure Regulation have observed a significant decline in decision making performance, experiencing decreases of 23% and 20%, respectively.

Source: Commerce Commission stakeholder questionnaire  
 Q: How well do you believe the Commerce Commission performs in how they go about making decisions ?  
 Base: Total sample '22 n=248, '23 n=299

# Decision making performance snapshot

The Commerce Commission’s performance on decision making principles are overall stable with no significant shifts.

Percent of stakeholders who agree that the Commerce Commission makes decisions that are...



● Significantly higher/lower than 2022    ■ 2022    ■ 2023

## Stakeholder nuance

Public sector organisations rate the Commerce Commission higher than total across most decision-making aspects.

Businesses rate the Commerce Commission lower than total on fair (52% vs 61% total), logical (41% vs 53% total) and consistent (47% vs 56% total). Furthermore, businesses have experienced a notable decrease in performance on logical since 2022, with a decline of 15%.

Stakeholders who have interacted with the Commerce Commission for Market Regulation have seen a decline in perceptions of logical from 61% in 2022 to 47% in 2023 and consistent from 69% in 2022 to 47% in 2023.

Similarly, stakeholders who have interacted with the Commerce Commission for Infrastructure Regulation have seen a decline in perceptions of logical from 66% in 2022 to 49% in 2023 and consistent from 67% in 2022 to 46% in 2023.

Source: Commerce Commission stakeholder questionnaire  
 Q: Thinking about the Commerce Commission and how they go about making decisions, specifically those that impact your organisation, how strongly do you agree or disagree that the Commerce Commission...  
 Base: Total sample '22 n=248, '23 n=299

# Stakeholders spontaneously identified four key areas where they believe the Commerce Commission can improve

## Education

Stakeholders emphasise the importance of providing clear and accessible information, guidance, and training to businesses and consumers regarding their rights, obligations, and regulatory requirements.

“ *Help businesses more with how to comply with your demands.*

*More resources and engagement in education to understand the various legislative requirements - developed for a range of audiences including SMEs.*

## Support

Stakeholders would like to see the Commerce Commission actively assist businesses, emphasising collaborating with stakeholders to collectively address challenges and find solutions together.

*Support businesses to make good decisions by providing advice and support, not just relying on your power to investigate and punish.*

*Work with industry to improve outcomes through supervision and support - not just issuing censures, warning letters, etc.*

## Enforcement action

While education and support are emphasised, stakeholders also highlight the importance of effective enforcement of regulations. They want the Commerce Commission to be more proactive in enforcing laws and imposing fines on organisations that breach them.

*More strict enforcement of laws and imposing fines, especially when the general public have been taken advantage of by large companies. Building public awareness of the rights of consumers.*

*Be more proactive in enforcing the law and actually make examples of organisations that breach it.*

## Simplify engagement

There is a call for clearer, more accessible communication from the Commerce Commission. Stakeholders want communications to be in plain English and for engagement sessions to stay focused on the topic at hand.

*Plain English review of all communications and publications. Compliance is so much easier and far less time-consuming when you don't have to reread sections and clauses over again to make sure you're not misinterpreting the intent because it's written in such a complex way.*

”

Source: Commerce Commission stakeholder questionnaire

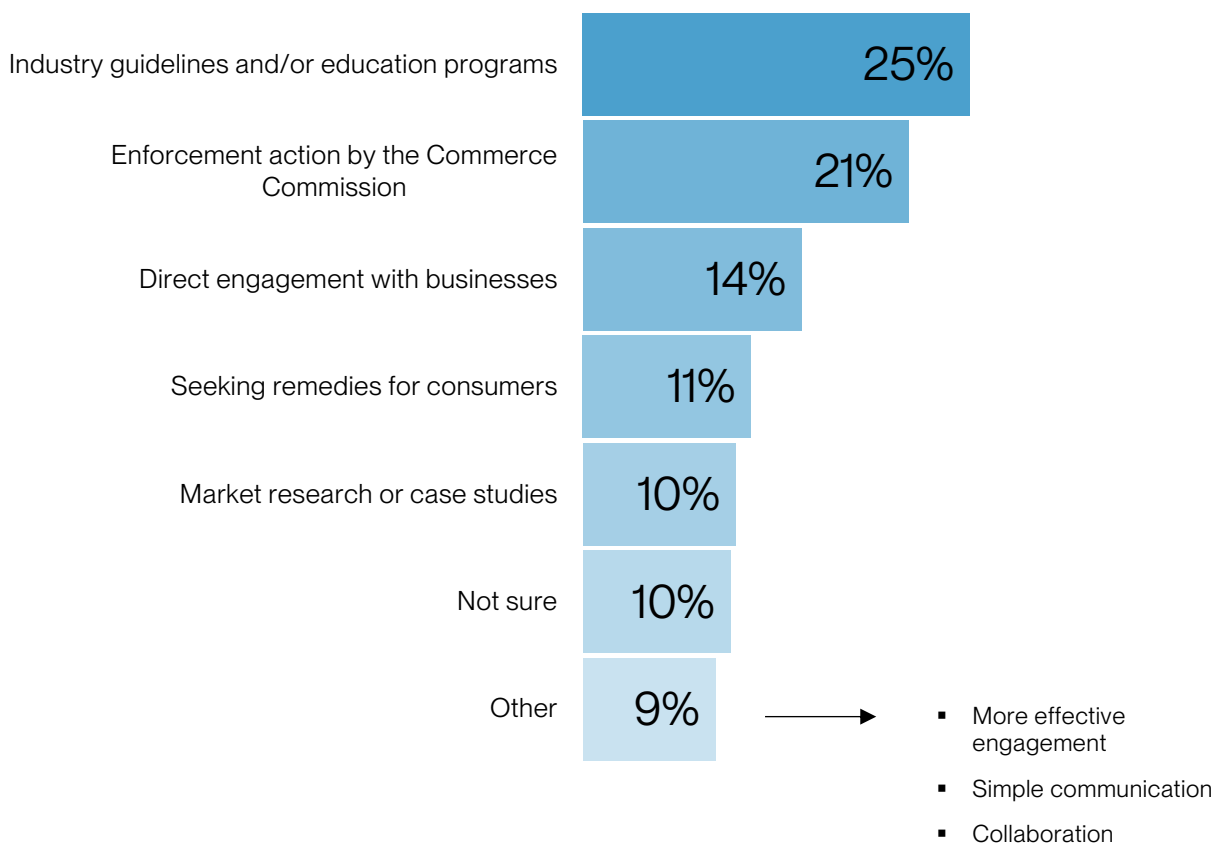
Q: Overall, if there was one piece of feedback you could give to the Commerce Commission to improve, what would this be?

Base: Total sample '23 n=298



# When prompted, education and enforcement emerged as the top priorities

## Areas Stakeholders would like to see more of from the Commerce Commission



## Stakeholder nuance

Public sector organisations would like to see the Commerce Commission seeking remedies for consumers (28% vs 11% total).

Businesses would like to see more direct engagement with businesses (21% vs 14% total).

Advocacy groups want to see more enforcement action by the Commerce Commission (46% vs 21% total).

Those who interacted with the Commerce Commission on Fair Trading would like to see more enforcement action by the Commerce Commission (37% vs 21%).

Source: Commerce Commission stakeholder questionnaire  
 Q: what is one thing you would like to see more of from the Commerce Commission?  
 Base: Total sample '23 n=298

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