




# Submission on the “Marketing alternative telecommunications services during the transition away from copper Guidelines” review.

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## Introduction

1. TUANZ is pleased to submit in relation to the “Marketing alternative telecommunications services during the transition away from copper Guidelines” review released by the Commerce Commission on 15 October 2024 as an ongoing part of the Improving Retail Service Quality programme of work. This submission is a Public Version and contains no confidential information.
2.  our website can be found at <https://www.tuanz.org.nz>.

## The Technology Uses Association of NZ Inc (TUANZ)

3. TUANZ is the association for the users of digital technology and connectivity which is in its 38th year since incorporation. We are unique - **we believe there is no other group or organisation that is representative of the people and organisations that are the end users of digital technologies in the manner that TUANZ is. We value our independence and will always seek to speak for users without undue influence.**
4. Our member’s want to see a lift in the digital economy along with the continued development of strong markets across the technology and connectivity sectors providing real choice for end users – whether corporations or consumers. We seek a national drive to leverage the opportunities that we have with our world leading digital networks. **Our vision is that by 2033, all businesses and individuals in Aotearoa will have unrestricted access to the technology and services needed to thrive; no one misses out on the opportunities in technology and digital engagement is safe and inclusive for all.**
5. TUANZ position is consistent and clear: **The availability of competitively priced, good quality, fast connectivity in all parts of NZ is a critical economic enabler for the future of the NZ economy.**
6. TUANZ is a not-for-profit membership association with over 170 members, predominantly large organisations with a strong dependency on digital technology and connectivity as well as small enterprises and individual members. These small businesses and residential users are the

customers of our large corporate members, who are just as focused on the quality of their customers' connectivity as their own.

## **Introduction**

7. TUANZ has been a key advocate over the years on many of the positive changes to the telecommunications market in New Zealand. We participated fully in the most recent review of the Telecommunications Act, with strong advocacy positions around the need to improve the overall service performance at both the wholesale and the retail level.
8. In our submission on the draft bill, we supported the move to require the Commerce Commission to monitor the performance within the telecommunications market and specifically the requirement to hold the industry to account on their report on retail service quality.
9. We also supported granting the Commission the ability to establish regulated codes in the area of service quality. We have been consistent in our support for the implementation of marketing guidelines which should apply to all players in the industry.

## **General comments including structure and scope**

10. We are in general support of the Commission's overall updates to the Guidelines given the changes that have occurred in the market since they were first developed in response to the issues that consumers were sharing around the copper withdrawal programme.
11. We strongly support the Commission's renaming of the guidelines to clearly indicate that it applies to all players, at all times in the market.
12. We also agree with the re-structure of the guidelines into the two parts for general guidelines and for those specific to copper withdrawal.
13. Since the original guidelines were released there has been a number of new technologies introduced into the NZ market such as next gen fixed wireless, improved satellite coverage and now the growth of LeoSat services.
14. While the increased choices and competition are welcome, this is currently leading to increased complexity in the market, at a time where

users are struggling to make the best use of their household budgets for many services.

### **Marketing of speeds**

15. This is an area that we have been concerned about for many years and there still is confusion in the market place when it comes to this issue. While most providers have moved on from differentiating on data levels, particularly in fixed broadband, there is a renewed focus on comparative speed.
16. We agree that there is now a widely respected measure of speed available through the Measuring Broadband New Zealand reports and commend the Commission on their work to further broaden the scope of this mahi.
17. However this is only useful if all Retail Service Providers (RSPs) participate in the programme, and use the outcomes in advertising and product disclosure notices. This would improve both transparency around the service capability and the ability of users to make informed decisions before purchasing.

### **Transparency of information**

18. While in the review this issue is limited to how to report and resolve issues, the need to improve the overall transparency is vital. Users are bombarded by advertisements by RSPs and it's critical that the entirety of these guidelines are about ensuring consumers have all the information in a transparent and clear manner to be able to make an informed decision.
19. We do think that providers should be required to show users all the options that they offer to their specific location with comparative pricing and the expected performance including speed. This should be shown on marketing material, including the website in order of pricing, or performance so that the user can indeed see all of the options. They should not be promoting their own network based service prominently without disclosing the alternatives.

## **Ease of exit**

20. In our original submissions we used information from a report that we had commissioned from BIT on the Broadband Market which suggested that users are inherently adverse to taking action to switch or exit a service.
21. While the BIT report did not specifically address the issue of when the service fails to meet their needs, the general principle would be at play here.
22. We suggest that while penalty free exit continues to be an important part of ensuring positive outcomes for users, that unless they know about it, and it is consistent across the industry then it is difficult to engage with.
23. We strongly support the Commission's recommended standardisation of the definition of "materially fail" by technology to ensure consistency which will hopefully lead users to be more confident in utilising the exit process if the service does not meet their needs.
24. We would also like to see this become a more automatic process which is able to advise users when their service materially fails at any time they are a paying customer, not just at the beginning of taking the service. This would also provide an incentive to the provider to ensure their service retains the capability and capacity that it was sold on.

## **Other wording changes**

25. We have no specific wording changes to make to what has been proposed other than those needed to take effect to the issues raised above.

## **Final Comments**

26. TUANZ welcomes the opportunity to provide the Commission with this submission in regards to the Marketing alternative telecommunications services during the transition away from copper Guidelines review. This paper provides a summary of feedback from our organisation that represents actual users of technology and digital communications. We have attempted to provide a succinct and clear enunciation of the views of our members.
27. We look forward to working further with the Commission on this matter.

**Contact**

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