

# Market study into the grocery sector

The Commerce Commission is undertaking a year-long study into whether competition in the grocery sector is working well, and if not, what can be done to improve it.

This fact sheet outlines the purpose of the study and what we are looking at, the process we are following, what the potential outcomes can be, and how and when you can take part.

## Why does competition in the grocery sector matter?

If competition in the grocery sector is working well then this will benefit you through the prices you pay for your groceries, the range and quality of groceries available to you and the service you receive when you go shopping.

## What is the study looking at?

The Government has asked us to look at a range of things including:

- Competition between retailers when selling groceries to you
- What retailers charge you for groceries and how they decide on their prices, as well as the service, product ranges and quality of groceries offered to you
- Who consumers buy groceries from and who supplies those retailers
- How retailers deal with their suppliers such as manufacturers, producers, farmers and growers
- Competition at the supplier level of the grocery market.



## We want to hear from you

Groceries are an essential purchase for all New Zealanders, as well as a major expense for most households. The quality, choice and service offered by retailers is also important.

Help us identify themes relevant to our study by taking our short online survey.



[Click here to take the survey now](#)

## How are we conducting the study?

We are looking at a range of issues, including how prices and promotions affect your decisions about where you shop and what you buy. This will contribute to our assessment of whether competition in the grocery sector is working as well as can be expected.

To do this, we are gathering information from a range of stakeholders including grocery retailers, suppliers, farmers, growers, wholesalers, importers, and potential new competitors. Hearing from consumers, and organisations that represent them, is an important part of the information we need to test whether competition in the market is working well.



## What can be the outcome of a market study?

As New Zealand's competition, consumer and regulatory agency, we have the power under the Commerce Act to conduct independent studies into competition in different sectors of the economy. Outcomes of our work may range from a 'clean bill of health' for the sector to recommendations to industry and/or the Government for changes to make the market work better.

## Timeline

**Early – mid 2021**

Information gathering and testing evidence



**Around July 2021**

Draft report released for consultation



**By 23 November 2021**

Final report released for the Government to consider

Find out more and sign up for updates on the study at [www.comcom.govt.nz/groceries](http://www.comcom.govt.nz/groceries)