

# Draft Consumer Complaints Disclosure Standard

**Date of publication:** 23 December 2024



## Associated documents

Publication date	Reference	Title
23 December 2024	ISBN 978 – 1 – 99 – 13317 – 2	<a href="#">Consumer complaints disclosure standard – draft reasons paper</a>

## TABLE OF CONTENTS

<b>INTRODUCTION TO THE CONSUMER COMPLAINTS DISCLOSURE STANDARD .....</b>	<b>4</b>
<b>A. COMMENCEMENT DATE .....</b>	<b>6</b>
<b>B. PURPOSE .....</b>	<b>6</b>
<b>C. DEFINED TERMS.....</b>	<b>7</b>
<b>D. APPLICATION .....</b>	<b>9</b>
<b>E. REQUIREMENT ON MAIN REGULATED GROCERY RETAILERS TO DISCLOSE INFORMATION TO THE COMMISSION.....</b>	<b>10</b>
E1 REQUIREMENT ON MAIN REGULATED GROCERY RETAILERS TO DISCLOSE INFORMATION ON CONSUMER COMPLAINTS AND REFUNDS TO THE COMMISSION.....	10
E2 REQUIREMENT ON MAIN REGULATED GROCERY RETAILERS TO DISCLOSE PRICING INTEGRITY REFUND POLICIES TO THE COMMISSION .....	10
<b>F. REQUIREMENT ON REGULATED GROCERY RETAILERS TO PUBLISH REFUND POLICIES AND INFORMATION ON CONSUMER COMPLAINTS AND REFUNDS .....</b>	<b>11</b>
F1 REQUIREMENT ON MAIN REGULATED GROCERY RETAILERS TO PUBLISH PRICING INTEGRITY REFUND POLICY ON ONLINE SHOPPING WEBSITE .....	11
F2 REQUIREMENT ON ALL REGULATED GROCERY RETAILERS OPERATING A RETAIL STORE UNDER A SPECIFIED BANNER TO DISPLAY OVERVIEW OF PRICE INTEGRITY REFUND POLICY IN RETAIL STORES .....	11
F3 REQUIREMENT ON MAIN REGULATED GROCERY RETAILERS TO PUBLISH INFORMATION ON CONSUMER COMPLAINTS AND REFUNDS ON ONLINE SHOPPING WEBSITE.....	11
<b>G. REQUIREMENT TO KEEP RECORDS .....</b>	<b>12</b>
G1 REQUIREMENT TO KEEP RECORDS OF CONSUMER COMPLAINTS.....	12
G2 REQUIREMENT TO KEEP RECORDS OF REFUNDS PAID OUT TO CONSUMERS.....	13
G3 TIMEFRAME FOR MAINTAINING RECORDS.....	13
<b>H. REQUIREMENT ON FRANCHISEES, INTERCONNECTED BODIES CORPORATE AND TRANSACTING SHAREHOLDERS TO PROVIDE INFORMATION TO MAIN REGULATED GROCERY RETAILERS.....</b>	<b>13</b>
<b>I. REQUIREMENT ON MAIN REGULATED GROCERY RETAILERS TO CERTIFY DISCLOSURE OF INFORMATION.....</b>	<b>14</b>
<b>J. AMENDMENT OR REVOCATION OF THE DISCLOSURE STANDARD .....</b>	<b>15</b>

## Introduction to the consumer complaints disclosure standard

In a competitive grocery industry, we would expect retailers to seek to gain and retain consumers by:

- competing across various combinations of price, quality, range, and service;
- actively monitoring complaints and acting to resolve any underlying issues; and
- offering a refund policy and prominently promoting it.

The Commission has developed this consumer complaints disclosure standard because we consider that disclosure of information about complaints and refunds will assist the Commission to monitor competition and efficiency in the grocery industry, and ensure we have sufficient information to assess whether the purpose of the Grocery Industry Competition Act 2023 is being met.

In particular, the consumer complaints disclosure standard will assist the Commission to better monitor competition and efficiency in the grocery industry by enabling it to:

- track the types and trends of complaints that consumers are making to regulated grocery retailers and how regulated grocery retailers are responding to the complaints;
- monitor regulated grocery retailers' establishment and maintenance of systems and processes for accurately and reliably recording and categorising consumer complaints;
- compare the refund policies offered by each of the main regulated grocery retailers<sup>1</sup> (under their respective banners) and determine whether the refund policies are being adequately promoted to consumers; and
- compare the service quality of the shopping experience provided by regulated grocery retailers;

This disclosure standard requires the regulated grocery retailers to implement processes for recording and storing consumer complaint data. It also requires the main regulated grocery retailers to disclose statistics on consumer complaints and refunds paid to consumers to the Commission, to publish information on consumer complaints and refunds paid to consumers, and to ensure pricing integrity refund policies are made easily accessible on their online shopping websites. All regulated grocery retailers operating under the New

---

<sup>1</sup> A "main regulated grocery retailer" is defined in the Disclosure Standard as meaning: Foodstuffs North Island Limited; Foodstuffs South Island Limited; Woolworths New Zealand Limited; a person designated as a regulated grocery retailer under section 27 of the Grocery Industry Competition Act 2023; and any successor to the preceding persons. "Regulated grocery retailers" include the main regulated grocery retailers along with their interconnected bodies corporate, franchisees and transacting shareholders.

World, and Pak'nSave, and Woolworths/Countdown banners are required to prominently display overviews of the pricing integrity refund policies.

## **A. Commencement date**

1. This Disclosure Standard comes into force on [*day and month of 2025 to be specified, being the date on which the Disclosure Standard is to be issued by the Commission*] except:
  - 1.1 Sections E2 and F1, which come into force on [*day and month of 2025 to be specified, being two weeks after the Disclosure Standard is issued*];
  - 1.2 Section F2, which comes into force on [*day and month of 2025 to be specified, being one month after the Disclosure Standard is issued*];
  - 1.3 Section G, which comes into force on [*day and month of 2025 to be specified, being the first day of the second full quarter following the Disclosure Standard being issued*]; and
  - 1.4 Sections E1, F3, H and I, which come into force on [*day and month of 2025 to be specified, being the first day of the third full quarter following the Disclosure Standard being issued*].

### **[Example for Draft Consumer Complaints Disclosure Standard**

*Assume, for the purposes of this example only, that the Disclosure Standard is issued on 2 May 2025.*

*The obligations in section F1 would come into force on 16 May 2025 and the obligations in section F2 would come into force on 2 June 2025.*

*Section G would come into force on 1 October 2025, requiring regulated grocery retailers to maintain records in accordance with the requirements in section G from that date.*

*Sections E1, F3, H and I would come into force on 1 January 2026, requiring main regulated grocery retailers to disclose information under section E to the Commission by 1 February 2026 for Q4 2025 (with certification in accordance with section H) and to publish information as required under section F3 by 1 February 2026 for Q4 2025.]*

## **B. Purpose**

2. This Disclosure Standard requires regulated grocery retailers to record, disclose, and publish statistics on consumer complaints received and refunds issued, and ensure their pricing integrity refund policies are easily accessible online with overviews prominently displayed in retail stores, for the purposes of:
  - 2.1 providing the Commission with information to enable it to monitor competition and efficiency in the grocery industry, including monitoring and understanding current and emerging trends or issues in relation to consumer complaints; and

2.2 ensuring the Commission has sufficient information to assess whether the purpose of the Grocery Industry Competition Act 2023 is being met.

References: Grocery Industry Competition Act 2023, ss 192 and 194.

### C. Defined terms

3. In the Disclosure Standard, unless the context otherwise requires, –

<b>Act</b>	means the Grocery Industry Competition Act 2023;
<b>Commission</b>	means the Commerce Commission;
<b>complaint category</b>	<p>means one of the following categories:</p> <ul style="list-style-type: none"> <li>(a) pricing integrity issue;</li> <li>(b) promotional error;</li> <li>(c) collectables;</li> <li>(d) loyalty scheme;</li> <li>(e) customer service;</li> <li>(f) product quality;</li> <li>(g) facilities;</li> <li>(h) product range</li> <li>(i) country of origin labelling;</li> <li>(j) unit pricing;</li> <li>(k) online services; and</li> <li>(l) other.</li> </ul>
<b>consumer complaint</b>	<p>means a communication in any form made by a consumer to a regulated grocery retailer where the consumer has:</p> <ul style="list-style-type: none"> <li>(a) expressed dissatisfaction in relation to the supply of goods or services by the regulated grocery retailer or any other element of the regulated grocery retailer’s business; or</li> <li>(b) brought an issue to the regulated grocery retailer’s attention regarding the supply of goods or services by the</li> </ul>

	<p>regulated grocery retailer or any other element of the regulated grocery retailer's business,</p> <p>whether or not the regulated grocery retailer resolves the issue to the consumers' satisfaction at the time it was raised;</p>
<b>Disclosure Standard</b>	means this Consumer Complaints Disclosure Standard;
<b>main regulated grocery retailer</b>	<p>means:</p> <ul style="list-style-type: none"> <li>(a) Foodstuffs North Island Limited;</li> <li>(b) Foodstuffs South Island Limited;</li> <li>(c) Woolworths New Zealand Limited; or</li> <li>(d) a person designated as a regulated grocery retailer under section 27 of the Act; and</li> <li>(e) any person that is a successor to a person referred to in (a)-(d) in this definition.</li> </ul>
<b>online shopping website</b>	means a website where consumers can purchase goods for sale online;
<b>pricing integrity issue</b>	means circumstances where the displayed or otherwise advertised price of a product does not match the price charged for that product at the point of sale;
<b>pricing integrity refund policy</b>	means a refund policy covering circumstances where the displayed or otherwise advertised price of a product does not or did not match the price charged for that product at the checkout;
<b>primary complaint category</b>	means the main complaint category a consumer complaint falls under where the consumer complaint contains elements that may fall under multiple complaint categories;
<b>promotional error</b>	means circumstances where a product is incorrectly promoted at a special or discounted price when the promotional price does not constitute a genuine special (and, for the avoidance of doubt, includes multibuy promotions that do not offer a genuine special);
<b>promotional mechanic</b>	means savings or marketing representations used by a retailer to promote products they sell;



<b>quarter</b>	means any of the following periods:  (a) 1 January to 31 March;  (b) 1 April to 30 June;  (c) 1 July to 30 September; or  (d) 1 October to 31 December.
<b>refund</b>	means when a consumer is paid back for a purchase made, or when a scanned price is adjusted at the till prior to a consumer paying;
<b>refund policy</b>	means a policy which addresses the circumstances in which a consumer may or will be refunded (in full or in part) and any associated processes or procedures;
<b>regulated grocery retailer</b>	has the same meaning as given in section 26 of the Act;
<b>retail store</b>	means a physical premises where consumers can purchase goods for sale;
<b>specified banners</b>	means any of the following banners:  (a) Countdown;  (b) New World;  (c) PAK'nSAVE; or  (d) Woolworths.
<b>specified complaint channels</b>	means:  (a) the main regulated grocery retailer head offices;  (b) a retail store operating under a specified banner; and  (c) the online shopping website for a specified banner.

## **D. Application**

4. This Disclosure Standard applies to regulated grocery retailers.

## **E. Requirement on main regulated grocery retailers to disclose information to the Commission**

### **E1 Requirement on main regulated grocery retailers to disclose information on consumer complaints and refunds to the Commission**

5. No later than 1 month after the end of each quarter, each main regulated grocery retailer must disclose the following information to the Commission in respect of that quarter:
  - 5.1 The number of consumer complaints received by the main regulated grocery retailer and its franchisees, interconnected bodies corporate, and transacting shareholders via the specified complaint channels, disaggregated to specify the number of consumer complaints by:
    - 5.1.1 each retail store and each online shopping website;
    - 5.1.2 month; and
    - 5.1.3 primary complaint category.
  - 5.2 The number of refunds and the value of refunds paid out to consumers by the main regulated grocery retailer and its franchisees, interconnected bodies corporate, and transacting shareholders under a refund policy of its specified banner or banners, disaggregated to specify the number of refunds and the value of refunds paid out by:
    - 5.2.1 each retail store operating under a specified banner and each online shopping website for a specified banner;
    - 5.2.2 month; and
    - 5.2.3 refund policy.
6. The information in clause 5 must be disclosed using the disclosure templates provided at Attachment A (which may be updated and published on the Commission's website from time to time).

### **E2 Requirement on main regulated grocery retailers to disclose pricing integrity refund policies to the Commission**

7. Within two weeks of the date after this Disclosure Standard is issued, each main grocery retailer must disclose to the Commission a copy of the pricing integrity refund policy or policies for the main regulated grocery retailer's specified banner or banners.
8. Each time a main regulated grocery retailer amends its pricing integrity refund policy or policies for the main regulated grocery retailer's specified banner or banners, the main regulated grocery retailer must disclose a copy of the amended pricing integrity refund policy or policies to the Commission within two weeks of the amended pricing integrity refund policy or policies taking effect.

References: Grocery Industry Competition Act 2023, s 194(1), 194(1)(a), 194(1)(c) and 194(1)(f).

## **F. Requirement on regulated grocery retailers to publish refund policies and information on consumer complaints and refunds**

### **F1 Requirement on main regulated grocery retailers to publish pricing integrity refund policy on online shopping website**

9. At all times, each main regulated grocery retailer must ensure that the pricing integrity refund policy or policies that is or are in force for the main regulated grocery retailer's specified banner or banners are made easily accessible from the homepage of the online shopping website of the relevant specified banner or banners.

References: Grocery Industry Competition Act 2023, s 194(1) and s 194(1)(d).

### **F2 Requirement on all regulated grocery retailers operating a retail store under a specified banner to display overview of price integrity refund policy in retail stores**

10. At all times, all regulated grocery retailers operating a retail store under a specified banner must ensure a one-page overview of the pricing integrity refund policy that is in force for the specified banner is displayed prominently within the relevant retail store in a manner and at a location (or locations) that is clearly visible to the public.
11. The one-page overview referred to in clause 10 must specify the circumstances in which a consumer may be refunded and, to the extent reasonably practicable, contain details of the refund a consumer may be entitled to.

References: Grocery Industry Competition Act 2023, s 194(1) and s 194(1)(d).

### **F3 Requirement on main regulated grocery retailers to publish information on consumer complaints and refunds on online shopping website**

12. No later than 1 month after the end of each quarter, each main regulated grocery retailer must publish the following information in an easily accessible manner on the online shopping website of each of their specified banners:
  - 12.1 The number of consumer complaints received by the main regulated grocery retailer and its franchisees, interconnected bodies corporate, and transacting shareholders via specified complaint channels in respect of the specified banner, disaggregated to specify the number of consumer complaints by:
    - 12.1.1 month; and
    - 12.1.2 primary complaint category.
  - 12.2 The number of refunds and the value of refunds paid out to consumers by the main regulated grocery retailer and its franchisees, interconnected bodies corporate, and transacting shareholders under a refund policy of its specified

banner or banners, disaggregated to specify the number of refunds and the value of refunds paid out by:

12.2.1 month; and

12.2.2 refund policy.

13. The information relating to each quarter referred to in clause 12 must remain in an easily accessible manner on the online shopping website of each of the specified banners of the regulated grocery retailer for a period of not less than 9 months.

References: Grocery Industry Competition Act 2023, s 194(1)(d).

## **G. Requirement to keep records**

### **G1 Requirement to keep records of consumer complaints**

14. Subject to clauses 15 and 18, each regulated grocery retailer must at all times maintain an accurate record of the following information relating to every consumer complaint in relation to the specified banners covering complaints received via all specified complaint channels:
- 14.1 banner and store name;
  - 14.2 date of consumer complaint;
  - 14.3 date of event;
  - 14.4 primary complaint category;
  - 14.5 summary of what happened (for example, whether the consumer was overcharged or undercharged, product/SKU details, or any promotion mechanics involved, as applicable); and
  - 14.6 whether the consumer complaint was, or consumer complaints were, substantiated and how the issue was resolved for the consumer.
15. For the purposes of clause 14:
- 15.1 the information relating to consumer complaints made to a main regulated grocery retailer via a specified complaint channel must be maintained by that main regulated grocery retailer; and
  - 15.2 the information relating to consumer complaints made to a franchisee, interconnected body corporate, or transacting shareholder of a main regulated grocery retailer operating under a specified banner, via a specified complaint channel, must be maintained by either:
    - 15.2.1 the franchisee, interconnected body corporate, or transacting shareholder; or

15.2.2 the main regulated grocery retailer.

**G2 Requirement to keep records of refunds paid out to consumers**

16. Subject to clauses 17 and 18, each regulated grocery retailer must at all times maintain an accurate record of the following information relating to every refund paid out to a consumer under a refund policy in relation to the specified banners:

- 16.1 banner and store name;
- 16.2 date of refund;
- 16.3 applicable refund policy; and
- 16.4 value of refund.

17. For the purposes of clause 14:

- 17.1 the information relating to refunds paid out to consumers by the main regulated grocery retailer for a specified banner must be maintained by the relevant main regulated grocery retailer; and
- 17.2 the information relating to refunds paid out to consumers by a franchisee, interconnected body corporate, or transacting shareholder of a main regulated grocery retailer operating under a specified banner must be maintained by either:
  - 17.2.1 the franchisee, interconnected body corporate, or transacting shareholder; or
  - 17.2.2 the main regulated grocery retailer.

**G3 Timeframe for maintaining records**

18. Each regulated grocery retailer may stop maintaining a record of the information required under clause 14 in relation to a consumer complaint or refund if a period of 5 years or more has elapsed since the date the consumer complaint was received or refund was paid.

References: Grocery Industry Competition Act 2023, s 194(1)(h).

**H. Requirement on franchisees, interconnected bodies corporate and transacting shareholders to provide information to main regulated grocery retailers**

19. Franchisees, interconnected bodies corporate and transacting shareholders of a main regulated grocery retailer are required to take all reasonable steps to provide the main regulated grocery retailer with such information as is necessary to enable the main regulated grocery retailer to comply with the requirements in sections E, F and I of this Disclosure Standard.

## **I. Requirement on main regulated grocery retailers to certify disclosure of information**

20. When disclosing the information required under section E of this Disclosure Standard to the Commission, each main regulated grocery retailer must certify that:

- 20.1 the disclosure complies with the requirements in this Disclosure Standard;
- 20.2 a copy of the main regulated grocery retailer's pricing integrity refund policy or policies for its specified banner or banners, in force during the relevant quarter, was (during the quarter to which the disclosure relates) and is (at the time of certification) easily accessible on the online shopping website of the relevant specified banner or banners;
- 20.3 the main regulated grocery retailer has made all reasonable enquiries and is satisfied that a one page overview of the pricing integrity refund policy for its specified banner or banners, in force during the relevant quarter, was (during the quarter to which the disclosure relates) and is (at the time of certification) displayed prominently within each of the retail stores operating under the relevant specified banner or banners, in a manner and at a location (or locations) that is clearly visible to the public; and
- 20.4 the main regulated grocery retailer and its franchisees, interconnected bodies corporate, and transacting shareholders has established systems and processes to capture all consumer complaints, including appropriately training staff.

21. The certification referred to in clause 20 must:

- 21.1 be signed by the Chief Executive Officer of the relevant main regulated grocery retailer; and
- 21.2 include the following statement:

I [insert full name] being [insert role] of [name of main regulated grocery retailer] certify that, having made all reasonable enquiries, to the best of my knowledge and belief:

- 1. The attached disclosure complies with the requirements in the Consumer Complaints Disclosure Standard 2025.
- 2. A copy of [name of main regulated grocery retailer]'s pricing integrity refund policy/ies was/were (during the quarter to which this disclosure relates), and is/are, easily accessible on the online shopping websites of [banner name/s].
- 3. A one-page overview of [name of main regulated grocery retailer]'s pricing integrity refund policy/ies was/were (during the quarter to which this disclosure relates), and is/are, being clearly displayed in all [banner name/s] retail stores.

4. [Name of main regulated grocery retailer] has established systems and processes to capture all consumer complaints, including appropriately training staff.

References: Grocery Industry Competition Act 2023, s 194(1)(e).

## **J. Amendment or revocation of the Disclosure Standard**

22. The Commission may amend or revoke the Disclosure Standard in accordance with section 195 of the Act.

References: Grocery Industry Competition Act 2023, s 195.

**ATTACHMENT A – DISCLOSURE TEMPLATES****Consumer complaint template [Overview for Draft Consumer Complaints Disclosure Standard]**

Banner	Store name	Month	Complaint category	Number of complaints
Pak'nSave, New World, Woolworths/Countdown. (Four Square, FreshChoice, Raeward Fresh, SuperValue, and On the Spot if the consumer complaint is received by head-office)	Relevant store name or in the case of consumer complaints about the online shopping website write 'Online'	(mm/yyyy)	Complaint category as defined in the Disclosure Standard	Number of consumer complaints received

**Refund template [Overview for Draft Consumer Complaints Disclosure Standard]**

Banner	Store name	Month	Refund policy	Number of refunds	Value of refunds
Pak'nSave, New World, Woolworths/Countdown.	Relevant store name or if refunds issued for online shopping services are not attributed to a store write 'Online'.	(mm/yyyy)	Name of the relevant refund policy	Number of refunds issued to consumers under the relevant refund policy	Amount (\$) paid out to consumers under the relevant refund policy