



**TCF Submission to
the Commerce Commission on
draft Product Disclosure Retail Service Bundling Guidelines**

13 October 2023

1. Introduction

- a. Thank you for the opportunity to provide feedback on the Commerce Commission's draft Product Disclosure Retail Service Bundling Guidelines (Guidelines).
- b. This submission is provided by the New Zealand Telecommunications Forum (TCF). The TCF is the telecommunications sector's industry body which plays a vital role in bringing together the telecommunications industry and key stakeholders to resolve regulatory, technical and policy issues for the benefit of the sector and consumers. TCF member companies represent 95 percent of New Zealand telecommunications customers.
- c. We understand the intent of the Commerce Commission issuing guidelines to the industry is to improve retail service quality in the telecommunications sector and that specifically these Guidelines are aimed at improving the way that bundled services are marketed to consumers in a clear and transparent manner.

2. Contents of this submission

- a. The focus of our submission is on:
 - i. Scope of the Guidelines;
 - ii. Considerations for the customer journey; and
 - iii. Timeframes to comply.

2. Scope of the Guidelines

- a. The Guidelines apply to any RSP that offers a retail telecommunications service to a consumer which is included as part of a bundle of services, as defined in the Guidelines.

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- b. We recommend that the Guidelines more clearly set out what services are in and out of scope, in a similar way to TCF codes.
- c. We propose that a separate section covering scope is added to the final Guidelines. Clarification on what services are in scope under the definition of 'bundled' in the Guidelines and/or including what is out of scope would make the Guidelines clearer about who and what they apply to. This will help ensure that all stakeholders are clear on what providers need to do to become compliant with the Guidelines. Being clear on the scope is particularly important if the Commission intends to monitor compliance with the Guidelines.

3. The customer's journey

- a. Ensuring that the customer is able to navigate and understand the different products and bundled services is important. Clear and accurate information on price and contract details enables a customer to make informed choices about the services they may purchase.
- b. There needs to be a balance between providing accurate and clear information to consumers at the right point in the purchasing journey and before the point of sale, while also avoiding overloading customers with information in general advertising.
- c. We recommend that the final Guidelines remain flexible on where along the customer journey the additional information about bundled services is provided to consumers, provided that it is disclosed prominently and in a clear manner.

4. Timeframes to comply

- a. The TCF has a well-established process that provides three months to comply with the obligations set out in an industry code. This process allows providers time to review processes, implement operational changes and update marketing material as appropriate.
- b. We recommend that the Commerce Commission adopts the same process to provide RSPs three months to become compliant with the final Guidelines after they are published.
- c. Specifically for these Guidelines, this would allow RSPs time to implement:
 - i. Changes to marketing communication;
 - ii. Changes to website materials;
 - iii. Amendments to terms and conditions; and
 - iv. Rolling out training for frontline sales and marketing staff, including updating relevant internal operations collateral.
- d. The TCF suggests that the Commerce Commission aligns the timeframe to comply with its voluntary Guidelines with industry best practice, unless there is reasonable evidence of consumer harm that would require an alternative timeline.

5. The TCF is available to answer any questions relating to the views set out in this submission, please contact:

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END