

ISBN 978-1-991085-32-0

Project no. 24.01/ PRJ0045837

PUBLIC version

Retail Payment System

Observations on the impact of interchange fee regulation

Date of publication: 8 August 2023



Associated documents

| Publication date | Reference | Title |
|------------------|-------------------|---|
| 27 October 2022 | - | Notification of initial monitoring under the Retail Payment System Act |
| 15 March 2023 | - | Notification of next phase of initial monitoring under the Retail Payment System Act 2022 |
| 2 May 2023 | 978-1-99-101292-0 | Our role under the Retail Payment System Act 2022 |

Commerce Commission
Wellington, New Zealand

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Executive summary

- X1 This report sets out our preliminary assessment of the impact of domestic interchange fee regulation. Specifically, how much merchants have benefited from the interchange fee caps imposed by the initial pricing standard through lower merchant service fees.
- X2 This report is part our ongoing market monitoring role under the Retail Payment System Act 2022 (the Act).¹ We must exercise our functions and powers under the Act for the purpose of promoting competition and efficiency in the system for the long-term benefit of merchants and consumers.² In doing so, we may consider the following principles to the extent we consider them relevant:
- X2.1 merchants and consumers pay no more than reasonable fees for the supply of payment services; and
- X2.2 there is reasonable transparency in the retail payment system.
- X3 In November 2022 the initial pricing standard came into effect. This caps interchange fees for transactions made by New Zealand-issued cards used to purchase goods and services in New Zealand (domestic transactions).³
- X4 Interchange fees are the largest component of the merchant service fees charged to businesses (merchants) to enable them to accept card payments from their customers.⁴ Merchant service fees are charged by the merchant's 'acquirer' which is usually (but not always) its bank.⁵
- X5 The intent of these interchange fee caps was to reduce merchant services fees charged to businesses for accepting most card payments to bring them in line with other comparable countries.⁶

¹ In accordance with section 6(a) of the Act.

² In accordance with section 4(1) of the Act.

³ The initial pricing standard is set out under clause 7 of Schedule 1 of the Act. Certain domestic transactions are excluded from the caps under the standard, for example, transactions using commercial cards and prepaid cards.

⁴ We use 'business' and 'merchant' interchangeably throughout this report. Both terms refer to a supplier (within the meaning of the Fair Trading Act 1986) of goods or services to consumers, as defined in section 7 of the Act.

⁵ An acquirer enables the merchant to access the retail payment system by processing retail payments. This can be a bank or a non-bank acquirer. Each type provides various additional services. There are many acquirers in New Zealand but for the purpose of this report, we have focused on the larger bank and non-bank acquirers.

⁶ Retail Payment System Bill - First Reading, Hon Dr David Clark (26 October 2021).

- X6 We expect that some of the cost savings from lower merchant service fees will be passed on to consumers. This would be either directly through lower surcharges for Visa and Mastercard transactions or indirectly through lower prices on goods and services than would otherwise have been the case. Lower merchant service fees should also make it more likely that businesses will accept consumers preferred payment options.
- X7 This report provides our initial findings on the impact of interchange fee regulation and our next steps for monitoring the retail payment system under the Act. Using information collected from Visa, Mastercard and large acquirers we have assessed:
- X7.1 the change in the level of interchange fees as a result of interchange fee regulation;
 - X7.2 how this change flowed through to merchant service fees; and
 - X7.3 how businesses were notified of any changes to their fees.

Our key observations

We currently estimate that interchange fee regulation will provide over \$130 million in annual savings to acquirers. Of this \$130 million, we estimate that \$105 million will be passed through to businesses in the form of lower merchant service fees.

Overview

- X8 As shown in Figure X1, we have seen a reduction in domestic interchange fees following the introduction of the interchange fee caps. However, not all this reduction appears to have been passed through to businesses in the form of lower merchant service fees.

Figure X1 Expected impact of interchange fee regulation



Businesses not receiving the full benefit of interchange fee regulation

- X9 We currently estimate that interchange fee regulation will provide over \$130 million in annual savings to acquirers. We note that it has been nine months since the caps came into effect and this is our current estimate of savings for the full year. Of this \$130 million we estimate \$105 million will be passed down to merchants through lower merchant service fees rates.⁷ This is higher than the initially estimated impact of \$74 million a year.⁸
- X10 We will be doing more work to understand what has happened to the estimated \$25 million difference between the savings for acquirers and savings for merchants. This could be due to the phasing of merchant repricing or changes to the cost of other components of the merchant service fee, or to profit taking.

Limitations of the data

- X11 The above values are best estimates using the data currently available to us. Although this data is limited, we consider it is robust enough to provide us with an indicative view of the impact of interchange fee regulation on merchants and inform our next steps. This has been an educative exercise which has helped us determine what information is useful and how we may make future requests for information.

Transparency and education for merchants

- X12 We have reviewed a sample of notification letters and merchant service fee statements provided by acquirers. None of the correspondence we saw provided enough transparency to businesses about the breakdown of these fees.
- X13 Shifting business customers to new pricing plans may be in the best interest of that business customer, but with limited transparency it appears difficult for merchants to assess this for themselves. We consider significant work is needed to empower businesses to better understand their merchant service fees.

⁷ These estimates show annualised impact. The calculation compares the total interchange fee and merchant service fees in October 2022 and December 2022, the months immediately before and after the implementation of domestic interchange fee regulation. These values should be considered indicative of the impact. Note not all repricing will have been completed by December 2022. The data received was of varying quality and completeness.

⁸ Beehive - Hon Dr David Clark "Lower card fees on way for business, consumers" (11 May 2022) available at: <https://www.beehive.govt.nz/release/lower-card-fees-way-business-consumers>

Key messages to merchants and consumers*Merchants*

- X14 The merchant service fees that you pay to your acquirer (likely your bank) should have decreased since November 2022. If they have not, you should reach out to them and explore whether alternative suppliers could better meet your needs. If you do surcharge for some payment options, any reduction in your merchant service fees should be reflected in your surcharges.
- X15 You may be able to get a better deal for your payment services if you shop around and have a better understanding of the most common payment methods of your customers.

Consumers

- X16 As a result of lower interchange fee revenue some banks have reduced the rewards that you may be receiving on your cards. This is a signal that you should consider using lower-cost forms of payment. Also, we expect the interchange fee caps will decrease the surcharges you experience and that ultimately merchants and consumers will be better off through lower costs of payments.

Chapter 1 Overview of this report

Purpose of the report

- 1.1 This report sets out our preliminary assessment of the impact of domestic interchange fee regulation. Specifically, how much merchants have benefited from the interchange fee caps imposed by the initial pricing standard through lower merchant service fees.
- 1.2 This report is released under section 6(a) and (c) of the Act. Section 6(a) empowers us to monitor competition and efficiency in the retail payment system, while section 6(c) enables us to make available reports, summaries, and information about those monitoring activities. We also consider that making this information available promotes the statutory principle of transparency.

Background

- 1.3 The Act introduced a new regulatory regime for the retail payment system with effect from 14 May 2022. The retail payment system performs a critical function for the New Zealand economy, for businesses and consumers alike. Every time anyone buys something, gets paid, transfers money, or uses an ATM, they are using the retail payment system.
- 1.4 The retail payment system is the most used financial service in Aotearoa New Zealand and consists of multiple payment networks – including debit and credit card networks, bank transfer networks, digital wallet networks and buy now, pay later networks.
- 1.5 The Act sets an initial pricing standard that caps interchange fees for domestic Visa and Mastercard debit and credit transactions. That standard came into force on 13 November 2022.⁹

Components of merchant service fees

- 1.6 Interchange fees are the largest component of merchant service fees. These are the fees charged by acquirers to merchants for accepting payments from their customers. The intention of the interchange fee regulation was to make it less costly for businesses to accept payments made by Visa and Mastercard.¹⁰

⁹ Under section 2(2) of the Act, the initial pricing standard comes into force 6 months after 13 May 2022 (being the date the Act received Royal assent). As noted above, certain domestic transactions are excluded from the caps under the standard, for example, transactions using commercial cards and prepaid cards. See clauses 7(2) and (3) of the Act.

¹⁰ Retail Payment System Bill - First Reading, Hon Dr David Clark (26 October 2021).

- 1.7 Figure 1.1 shows the components of merchant service fees and what portion is currently regulated by the initial pricing standard.

Figure 1.1 Components of merchant service fees



- 1.8 The 'other components' of merchant service fees vary dependent on the payment method used by customers and include:
- 1.8.1 scheme fees which are charged by Visa or Mastercard to the acquirer and are on-charged to the merchant;
 - 1.8.2 switch fees which are usually charged by Worldline or Verifone for sending the transaction data to the right place and are on-charged to the merchant; and
 - 1.8.3 additional components determined by the acquirer, including various internal costs and a margin.

Overview of our initial monitoring

- 1.9 In October 2022 we began our initial monitoring of the retail payment system under section 6(a) of the Act by seeking information from a range of stakeholders.¹¹ We wanted to better understand the participants of the retail payment system. That is, their business structures, current market offers, how they monitor performance and the contractual relationships between them.¹²

¹¹ Commerce Commission "Notification of initial monitoring under the Retail Payment System Act 2022" (25 October 2022) available at: <https://comcom.govt.nz/regulated-industries/retail-payment-system#projecttab>

¹² We sought information from schemes (Visa, Mastercard and American Express), issuers and acquirers (both bank and non-bank) and buy now, pay later providers.

- 1.10 In March 2023 we began the next phase of our initial monitoring which focused on understanding the initial direct impacts of interchange fee regulation on merchants.¹³
- 1.11 We focused primarily on the Visa and Mastercard debit and credit networks, which are regulated by the initial pricing standard. To a lesser extent we also considered the impact of the initial pricing standard on the EFTPOS network, as we consider it to be a low-cost alternative to the Visa and Mastercard networks.¹⁴
- 1.12 We sought to answer the following questions:
- 1.12.1 How much have interchange fees changed due to the initial pricing standard?
 - 1.12.2 To what extent have changes in interchange fees flowed through to merchant service fees?
 - 1.12.3 How were merchants notified of any merchant service fee change?

Data sources

- 1.13 To answer the above questions, we requested information on a voluntary basis from:
- 1.13.1 Visa and Mastercard (the schemes); and
 - 1.13.2 bank and non-bank acquirers that participate in Visa and Mastercard's networks and have a significant portfolio of merchants in New Zealand or are growing their New Zealand portfolio.

¹³ Commerce Commission "Notification of the next phase of initial monitoring under the Retail Payment System Act 2022" (15 March 2023).

¹⁴ At this stage we will not be assessing the impact of the initial pricing standard on the American Express network, Buy Now Pay Later networks, or the interbank transfer network. As noted in Commerce Commission "Notification of the next phase of initial monitoring under the Retail Payment System Act 2022" (15 March 2023), paragraph 12.

- 1.14 Broadly, we sought information on:
- 1.14.1 Changes in average interchange fees over time, including how these vary between international and domestic transactions and "card present" and "card not present" transactions.¹⁵
 - 1.14.2 Changes in average merchant service fees over time, including how the components of that fee have changed.
 - 1.14.3 How acquirers' repriced merchants in anticipation (or as a result) of the initial pricing standard and the process for this repricing, including the number of merchants re-priced, communications to merchants, re-pricing plans and merchant segmentation.
- 1.15 We have aggregated the data provided by respondents to provide a high-level snapshot of the initial impact of interchange fee regulation on merchants. We thank all the respondents who provided data and look forward to their continued engagement.

Limitations of the data

- 1.16 We requested information from stakeholders on a voluntary basis. Responses to this request varied significantly, with some stakeholders being unable to provide any or only limited information and some participants were unwilling to provide information.
- 1.17 The variance in data provided has meant that the quality of data upon which we have based our observations is less strong than we would have hoped. In some cases, we have had to weight the data based on estimated market shares. Despite these limitations, we still consider the data robust enough to provide an indicative view of the impact of interchange fee regulation on merchants and inform our next steps.
- 1.18 We may need to use our statutory powers to compel the provision of information for further monitoring of these matters.

¹⁵ Card present transactions are generally where the cardholder is present at the merchant's location, including inserted, contactless and tokenised transactions. Card not present transactions are generally where the cardholder is not present at the merchant's location, for example, online, in-app and mobile or telephone order transactions.

Chapter 2 Our initial observations

Overview of this chapter

- 2.1 This chapter provides our initial findings, split out by our three key questions:
- 2.1.1 How much have interchange fees changed due to the initial pricing standard?
 - 2.1.2 To what extent have interchange fee changes flowed through to merchant service fees?
 - 2.1.3 How were merchants notified of any merchant service fee change?

How much have interchange fees changed due to the initial pricing standard?

Our key observations on interchange fee changes

- 2.2 We currently estimate that interchange fee regulation will lead to over \$130 million in annual savings for acquirers.¹⁶ We note that it has been nine months since the caps came into effect and this is the current estimate of savings for the full year. We have seen a reduction in average interchange fees for domestic debit and credit transactions processed on the Visa and Mastercard networks since the introduction of the caps.
- 2.3 We would like to understand more about how these vary across international and domestic transactions and in-person and online transactions. This is because some payment methods attract a higher interchange fee which in turn increases the merchant service fee payable by the merchant.

To what extent have interchange fee changes flowed through to merchants?

Our key observations on merchant service fee changes

- 2.4 Of the estimated \$130 million in annual savings from acquirers, we estimate \$105 million will be passed down to merchants through lower merchant service fee rates. This is higher than the initially estimated impact of \$74 million a year.¹⁷

¹⁶ These estimates show annualised impact. The calculation compares the total interchange fee and merchant service fees in October 2022 and December 2022. These values should be considered indicative of the impact. Note not all repricing will have been completed by December 2022. The data received was of varying quality and completeness.

¹⁷ Beehive - Hon Dr David Clark "Lower card fees on way for business, consumers" (11 May 2022) available at: <https://www.beehive.govt.nz/release/lower-card-fees-way-business-consumers>

- 2.5 We have seen a decrease in average merchant service fees following the introduction of the interchange fee caps. However, not all the cost savings to acquirers appear to have passed through to businesses in the form of lower fees. This is evidenced by the estimated \$25 million difference between the savings for acquirers and savings for merchants.
- 2.6 There are a range of factors which could have played a part in businesses not receiving the full benefit of the interchange fee reductions. We are considering further work to assess why this might not have occurred and will be seeking further engagement and information going forward. Where appropriate, we may opt to use our statutory powers to compel the provision of such information.
- 2.7 Businesses should have seen a reduction in their merchant service fees on or prior to the introductions of the caps in November 2022 and this should be reflected in any surcharging practices.¹⁸ In our merchant observations to date we have seen limited merchant understanding of the most common payment methods of their customers and relevant cost of these methods.¹⁹
- 2.8 Other components of merchant service fees (which include scheme fees) seem to be increasing. However, we have limited data and this increase could be due to a variety of factors. We may look more closely at the other components of merchant service fees in future monitoring. This would require further information and engagement from stakeholders. We may opt to use our statutory powers to obtain the required information.

Change in average merchant service fee

- 2.9 We saw a decrease in average merchant service fees following the introduction of the interchange fee caps in November 2022.²⁰ Figure 2.1 provides the indicative size of merchant service fees, including the relevant components of those fees, before and after the introduction of the caps.

¹⁸ For more information on our review of surcharging practices see Commerce Commission "Open Letter to Payment Service Providers - payment surcharges" (4 May 2023) available at: <https://comcom.govt.nz/regulated-industries/retail-payment-system#projecttab>

¹⁹ Commerce Commission "Retail Payment System - Merchant Research Observations" (4 May 2023) available at: <https://comcom.govt.nz/regulated-industries/retail-payment-system#projecttab>

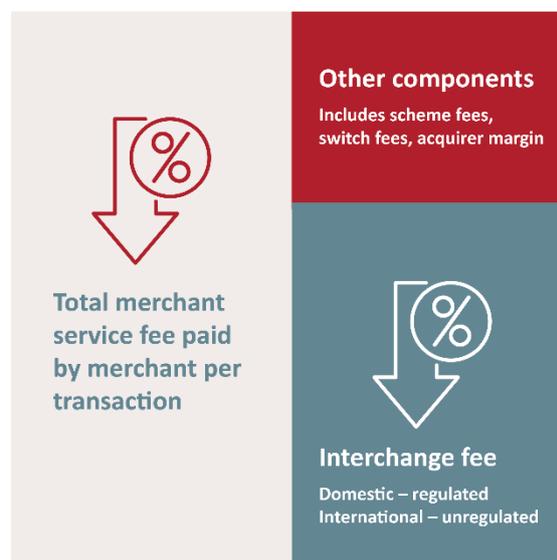
²⁰ This is based on information provided by those acquirers that responded to our request for information.

Figure 2.1 Indicative size of merchant service fees and relevant components before and after the introduction of the caps

Before the introduction of the caps



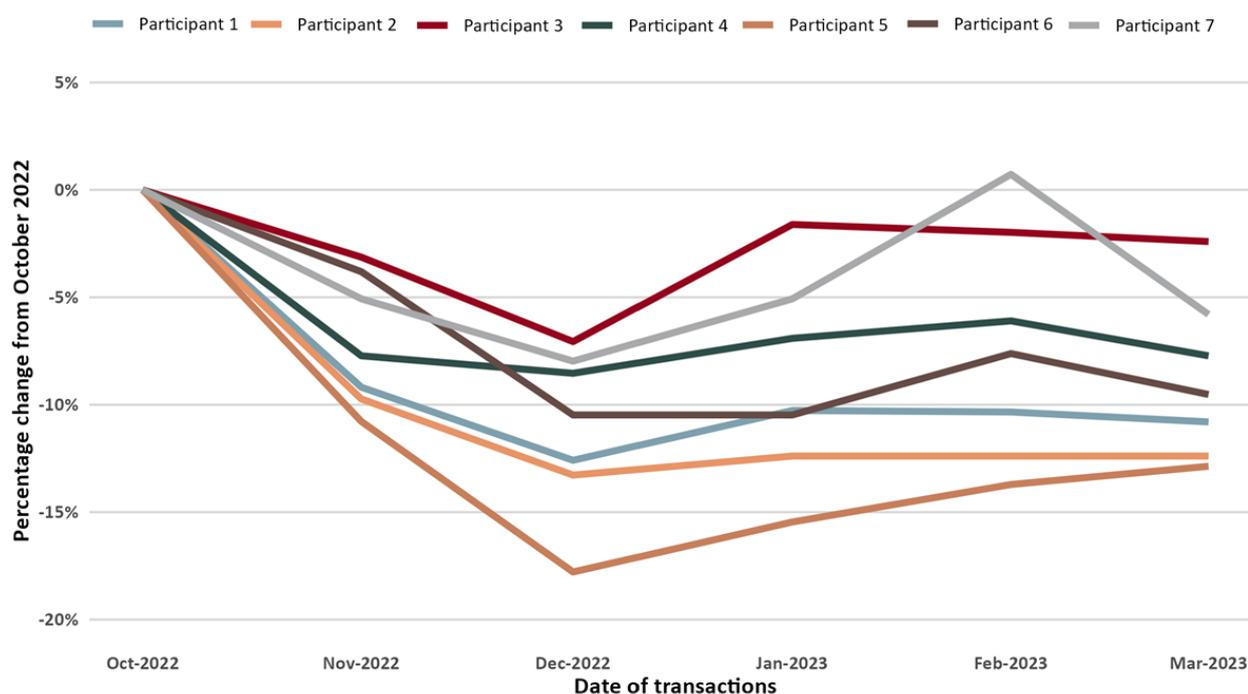
After the introduction of the caps



2.10 Figure 2.2 below shows the percentage change in average merchant service fees for each acquirer that provided information on this question from October 2022 to March 2023.²¹ All acquirer average merchant service fees have been set to the same starting value as at October 2022. The graph shows the subsequent percentage changes each month for November 2022 through to March 2023.

2.11 It is important to note that some acquirers may have reduced their merchant service fees prior to October 2022 and this will not be represented in the graph. We have not provided detail of the acquirers given the sensitivity of the data.

²¹ The acquirers that provided information on this question were ANZ, ASB, BNZ, Kiwibank, Westpac, Stripe and Windcave.

Figure 2.2 Indexed change in average merchant service fee charged by acquirer²²

- 2.12 There has been a decrease in average merchant service fees between October 2022 and December 2022 (ranging between 8-18%), which can be linked to the domestic interchange fee caps coming into effect in November 2022.
- 2.13 However, average merchant service fees have increased across most acquirers between December 2022 and March 2023. Given the quality of data received and the nature of merchant service fees (discussed below), we cannot be certain as to the reasons for the change.
- 2.14 Both merchant service fees and merchant services offered can vary significantly by acquirer. Some acquirers' average merchant service fees are closer to 2% and others closer to 1%.²³ This suggests an opportunity for merchants to get lower fees if they shop around.
- 2.15 Figure 2.3 below shows acquirers' merchant service fees as advertised on their websites. We found this information difficult to search for (and we assume businesses would find this difficult too) as many merchant service fee rates are only searchable when the product name or type is known, eg, mobile payment solution.

²² The data has the average merchant service fees of each acquirer indexed to a standard base value. A negative value shows a decrease in average merchant service fees compared to October 2022 for that month.

²³ Commerce Commission "Retail Payment System - Merchant Research Observations" (4 May 2023) paragraph 3.14, available at <https://comcom.govt.nz/regulated-industries/retail-payment-system#projecttab>

Figure 2.3 Merchant service fee rates as advertised on acquirer websites²⁴

2.16 It can be difficult for merchants, especially smaller merchants that lack resources, to determine what is an appropriate merchant service fee. This is because it depends on the various payment methods and card types used by their customers and where the transaction is made (eg, in person or online or both).

2.17 Many factors influence a merchant service fee, including:

2.17.1 **Increased number of international visitors:** From the middle of 2022 we have seen annual international visitor numbers increasing for the first time since 2020 which has likely led to greater volumes of transactions using foreign-issued cards.²⁵ Interchange fees and scheme fees on international transactions are much higher than domestic transactions. These transactions will attract higher merchant service fees.

2.17.2 **Shift away from EFTPOS:** Although EFTPOS remains free for in-person transactions, the use of EFTPOS as a way of paying is decreasing with consumers opting to make a contactless payment and pay by credit card. This means merchants, particularly smaller merchants, may continue to pay more to receive payments with more transactions processed by Visa and Mastercard which incur a fee.

²⁴ Taken from acquirers' websites on 26 April 2023. Those acquirers marked with a "*" also charge a fixed flat fee per transaction. Adyen uses interchange plus plus pricing and only makes the fixed rate (12c) public.

²⁵ Statistics New Zealand "International travel: January 2023" (14 March 2023) available at: <https://www.stats.govt.nz/information-releases/international-travel-january-2023/>; and Reserve Bank of New Zealand "Credit card spending (C13)" (19 May 2023) available at: <https://www.rbnz.govt.nz/statistics/series/lending-and-monetary/credit-card-spending>

- 2.17.3 **Merchant size:** Larger merchants with higher sales volume and values are more likely to be able to negotiate lower fees. Larger merchants using a bank acquirer may also be cross subsidised by other bank services, such as lending. Smaller merchants pay on average higher rates.
- 2.17.4 **In-person vs online transactions:** Online transactions attract higher merchant service fees than in-person transactions and the interchange fees caps have had a greater impact on these transactions. Merchants that have mostly online sales should have seen bigger reductions in their rates, but this varies considerably by acquirer.
- 2.17.5 **Timing of acquirer repricing:** Acquirer repricing happens throughout the year which in turn impacts average merchant service fees. We note that one large acquirer opted to shift its merchants to lower merchant service fees in anticipation of the regulation coming into effect in November 2022. Smaller merchants are price takers and larger merchants will have a greater ability to negotiate their rates.
- 2.17.6 **Other components of merchant service fees:** Interchange fees are the largest component of merchant service fees and domestic interchange fees have decreased due to the caps. Other components (which include scheme fees) seem to be increasing. However, we have limited data on these components and these increases could be due to a variety of factors. We may look more closely at the other components of merchant service fees in future monitoring.

Change in merchant service fees depending on the size of the business

- 2.18 The proposed savings due to interchange fee regulation were intended to be particularly felt by smaller merchants or those merchants that rely on credit card or online sales.²⁶ The Government expected to see these reductions mainly impact the rates that small businesses pay, but instead we have seen these reductions apply across all market segments.

²⁶ MBIE Cabinet Paper "Retail payments system: initial policy decisions to reduce merchant service fees" (12 May 2021), paragraph 7. Available at: <https://www.mbie.govt.nz/business-and-employment/business/competition-regulation-and-policy/retail-payment-systems/>

How were merchants notified of any merchant service fee changes?

Our key observations on how merchants were notified

- 2.19 Acquirers that provided us with information on this question notified their merchants of upcoming changes to their merchant service fees prior to these being made (most notifying 14 days prior). Information provided and the level of detail of these notifications varied across acquirers.
- 2.20 We do not consider that any of the correspondence we saw provided sufficient transparency to businesses about the impact that different payment methods had on their fees. Shifting a business to a new pricing plan may be in the best interest of that particular business, but limited transparency makes it hard for a business to assess this themselves.
- 2.21 Greater transparency and increased understanding could aid businesses with assessing the appropriateness of their acquirer, pricing plan and surcharging practices. It may also increase the likelihood of businesses shopping around to ensure they are getting the best deal for the services required.

Process for implementing changes to merchant service fees

- 2.22 On average acquirers provided their merchants with 14 days notice prior to changing their merchant service fees. Most acquirers implemented these changes on or slightly before the date the caps came into effect (13 November 2022). One acquirer shifted its merchants that also did their business banking with them on 1 July 2022.

Shifting merchants between pricing plans

- 2.23 Some acquirers automatically shifted their merchants from blended or fixed pricing to unblended or interchange plus pricing. These are the most common pricing plans and are explained as follows:
- 2.23.1 **Blended or fixed pricing:** the merchant is charged one or a few fixed rates depending on factors such as the card or transaction types (eg, different rates for debit and credit or different rates for online and in-person). This is especially common with non-bank acquirers.
- 2.23.2 **Unblended or interchange plus pricing:** the merchant is charged the interchange fee plus an acquirer margin. The interchange fee generally differs depending on the type of merchant, the network type (eg, debit or credit), card type (eg, standard or premium), payment method (eg, online, contactless or in person), and other factors such as whether it is a foreign-issued card.

- 2.24 Each pricing plan has its advantages and disadvantages, for example:
- 2.24.1 One advantage of unblended or interchange plus pricing is that the merchant service fee is aligned with the cost of the transaction. For blended or fixed pricing, there will be some transactions below cost and others that are above cost to the acquirer.
 - 2.24.2 Some merchants may benefit from and prefer a blended or fixed pricing plan as it involves a set rate irrespective of the payment method used. This method adds simplicity and can make it easier to determine the cost of doing business.
- 2.25 Determining the appropriate pricing plan for a merchant is dependent on several factors, including the common payment methods of the merchant's customers and the size and volume of those transactions. Acquirer engagement with their merchants is required to assess the best pricing plan relevant to that merchant's needs and common payment methods of its customers.

Transparency of pricing

- 2.26 From our merchant research observations, we noted that merchants have a limited understanding of their merchant service fees and do not tend to switch between acquirers.²⁷
- 2.27 There is potential for pricing plans to be more transparent and readily comparable between acquirers. This may include information about the components of merchant service fees and the variability in rates depending on the customer payment type. In blended or fixed pricing, the Visa and Mastercard networks are amalgamated which provides no transparency as to which one is cheaper to process.
- 2.28 Greater transparency would help merchants ensure they are getting the best deal dependent on their business requirements and preferences. We note one large acquirer helpfully provided its merchants with the estimated savings due to the change in merchant service fee rates based on the prior month's transaction history.

²⁷ Commerce Commission "Merchant Research Observations" (4 May 2023), Table 3.1. Available at: <https://comcom.govt.nz/regulated-industries/retail-payment-system/monitoring#projecttab>

- 2.29 Further work is needed by acquirers to consider how they can improve the information provided to merchants so they can better understand and analyse the merchant services being offered by their acquirers and the fees they pay.²⁸ This could include showing merchants the percentage split of payment methods used by their customers for the prior month and the relevant fees.

Summarising our initial findings and next steps

- 2.30 It is encouraging to see the wider impact the interchange fee caps will have in providing an estimated \$105 million of annual savings for merchants. However, we believe further information gathering and analysis is required.
- 2.31 We want to understand why the unregulated components of merchant service fees seem to be trending up and why there has been incomplete pass through of interchange fee reductions to merchants.
- 2.32 It has been widely reported that most banks have reduced card rewards offered to their customers because of lower interchange fee revenue.²⁹ However, we expect the interchange fee caps will decrease the surcharges consumers experience and that ultimately merchants and consumers will be better off through lower costs of payments.³⁰

²⁸ We have already requested this in Commerce Commission "Open letter to Payment Service Providers - payment surcharges (4 May 2023) para 18. Available at: <https://comcom.govt.nz/regulated-industries/retail-payment-system#projecttab>

²⁹ Westpac "Westpac NZ changes credit and debit card rewards" (5 December 2022) available at: <https://www.westpac.co.nz/about-us/media/westpac-nz-changes-credit-and-debit-card-rewards/>; Stuff "ANZ joins Kiwibank in rejigging its credit card rewards scheme" (4 October 2022) available at: <https://www.stuff.co.nz/business/money/130066154/kiwibanks-air-new-zealand-airpoints-credit-cards-to-be-less-rewarding>; Interest.co.nz "Banks start reigning in credit card loyalty and rewards schemes as regulation of merchant service fees nears" (5 October 2022) available at: <https://www.interest.co.nz/personal-finance/117872/banks-start-reining-credit-card-loyalty-and-rewards-schemes-regulation>.

³⁰ Further information about our work on surcharging can be found at Commerce Commission "Surcharging" <https://comcom.govt.nz/regulated-industries/retail-payment-system/surcharging>.