

FEBRUARY  
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# Understanding Stakeholder Perceptions

COMMERCE COMMISSION

**TRA**

## Background

*The Commerce Commission is New Zealand's primary competition, fair trading, consumer credit and economic regulatory agency. It plays a role in ensuring New Zealand's markets are competitive, sectors with little or no competition are appropriately regulated, and consumers and businesses are informed, empowered and have their interests protected.*

*The Commerce Commission's performance is impacted by many factors – but a critical one is how it is perceived by its key audiences, and how these audiences feel it delivers value.*

*In recent years, the Commission has experienced rapid growth in its regulatory responsibilities and increased expectations from New Zealanders and the government. At the same time, Covid-19 restricted the Commission's ability to meet face-to-face with its stakeholders.*

*Given this backdrop of increasingly complex stakeholder relationships and expectations, the Commission asked TRA to conduct research that will provide an objective, reliable view of stakeholder perceptions.*

*This report is designed to provide a reliable and robust view of current performance and stakeholder experiences to help inform the future direction for the Commerce Commission's communications and engagement. This in turn will inform what it needs to deliver to key stakeholders.*

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## Research objectives

**Overall strategic objective: Deliver confidence and clarity to NZ businesses and consumers through effective engagement.**

**With specific research objectives:**

- *Understanding current performance and role of the Commerce Commission in engaging with stakeholders*
- *Define and track key metrics across stakeholders and branches*
- *Identify and prioritise areas for improvement*
- *Inform a roadmap for engagement and communication*

# Methodology

*A two-stage approach was recommended, which involved speaking to key stakeholders who engage with the Commerce Commission.*

## STAGE 1 Stakeholder Understanding

*23 qualitative in-depth interviews with key stakeholders in November 2022.*

*Interviews were 45 minutes and conducted on Zoom.*

*Who we spoke to:*

- 11 Businesses*
- 3 Industry Bodies*
- 5 Civil Societies*
- 2 Thinktank Stakeholders*
- 2 Māori\* Stakeholders*

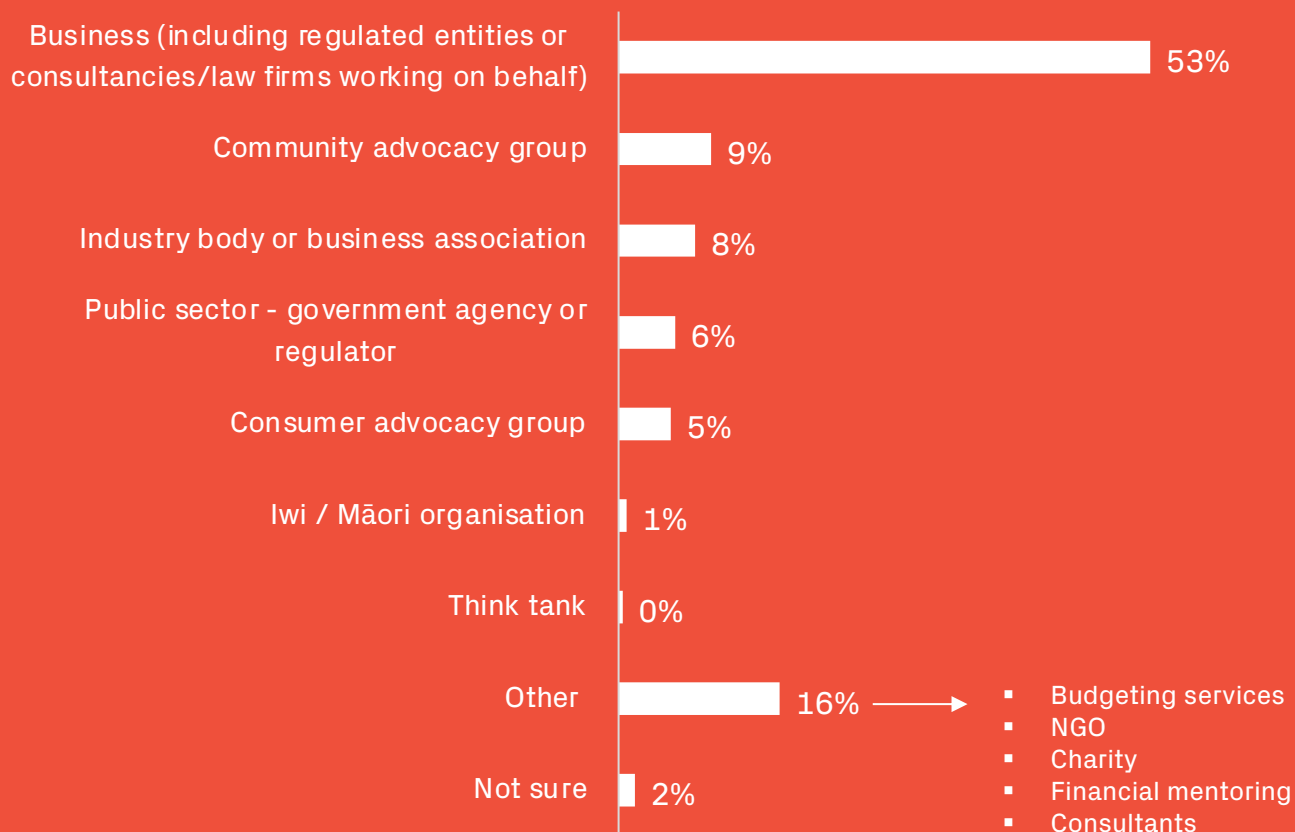
## STAGE 2 Quantitative Survey

*Online quantitative survey to gather perspectives from a wider audience across New Zealand.*

*The Commerce Commission provided TRA with a list for the survey. These contacts were invited to take part via email, with the survey link embedded in the email.*

*The survey was open: 1st Dec – 14th Dec 2022.  
n = 248 stakeholders completed the survey*

# Who did we hear from in our quantitative survey?



Over half of respondents described their organisation as a business (53%). When interpreting the quantitative results at the total level, we need to keep in mind that the sample's representation is skewed towards this group.

## 2020 Stakeholder Response Rates

	Response Rate (approx. %)
Business or regulated entity (or consultancy/law firm working on behalf)	52%
Public sector government agency or regulator	10%
Industry association (includes consumer groups)	9%
Media	2%
Political stakeholder (Ministers, MPs, and political advisors)	1%
Other (NGOs, legal services etc.)	26%

# *The low level of participation from Māori highlights an opportunity for the Commerce Commission to build relationships with Iwi Māori: to grow the Commission's understanding of their perspectives and their needs.*

This was reflected in only two Māori organisations making time to speak to us and two responding to the survey.

The two Māori organisations that TRA spoke to qualitatively were Civil Societies, albeit servicing **distinctly different consumer<sup>1</sup>/client bases and consequently not representing homogenous points of view.**

## **Shared positive themes**

1. The Commerce Commission's function is transactional, whereas these stakeholders are service based.
2. The stakeholders spoken to act as kaitiaki<sup>2</sup> of their whakarōpu<sup>3</sup>.
3. The role of Commerce Commission as kaiako<sup>4</sup> is seen as an ancillary opportunity.
4. The regulatory role is only intuitively understood, and in experience-based instances were inaccurate due to minimal engagement with the organisation or the website.

## **Shared negative themes**

1. For the stakeholders spoken to, the need for interaction with Commerce Commission is not seen as a priority.
2. Where there had been engagement on regulatory matters, the exchange was felt to be interrogatory and whaiwhai<sup>5</sup>.
3. These Māori organisations' kaupapa is not 'consumptive' focused entities therefore the term 'consumer' is derogatory.
4. There was a view that the Commerce Commission's informative and educational role was not useful, and that kaupapa Maori sources were equal to, and more suitable for their purposes and needs.

<sup>1</sup>The term 'consumer' is never used

<sup>2</sup>Guardians

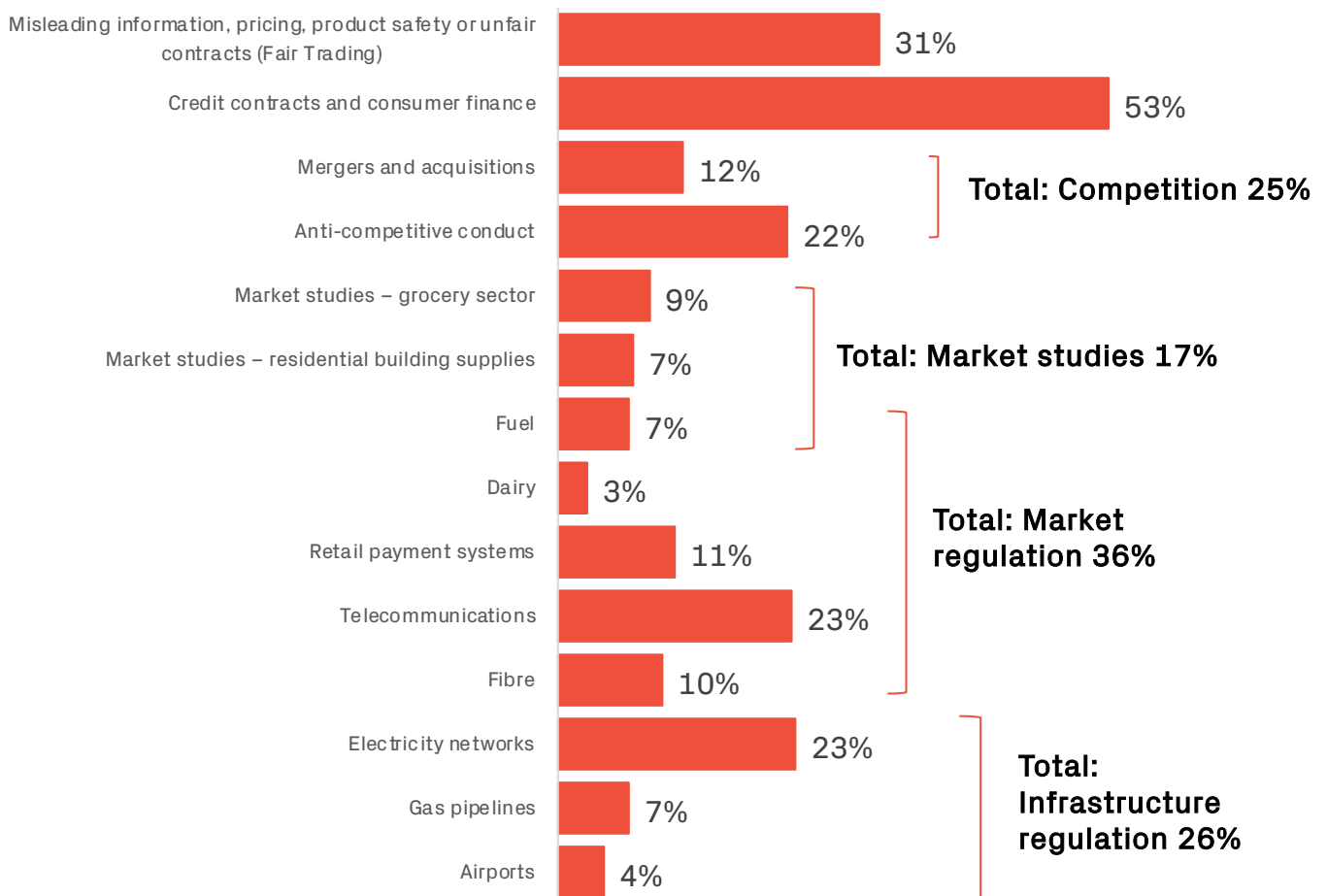
<sup>3</sup>Distinct grouping

<sup>4</sup>Educator

<sup>5</sup>Confrontational

# How have stakeholders interacted with the Commerce Commission?

## HOW STAKEHOLDERS INTERACT WITH THE COMMERCE COMMISSION



Analysis has been conducted across regulatory areas, with any key differences highlighted throughout the report. Refer to the appendix for a breakdown of the results for each regulatory area.

Note: Previous audits have not provided a breakdown of the ways in which our stakeholders interact with the Commission, so the results above cannot be compared to previous studies.

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This report brings together findings from a two-stage research project, incorporating feedback from a diverse range of stakeholders that the Commerce Commission engages with.

The purpose of this is to understand how the Commerce Commission is currently viewed by its key audiences and where it needs to focus to strengthen perceptions. By strengthening perceptions, the Commerce Commission will benefit itself as an organisation and will be positioned to achieve positive outcomes for stakeholders and New Zealanders.

The initial qualitative stage identified four overarching areas which form the basis of stakeholder's perceptions:

- **Overall performance in its role**
  
- **Communication – the information that is communicated and the tone**
  
- **Engagement – How stakeholders are engaged and who they interact with**
  
- **Decision making – how decisions are made**  
Performance on decision making is strongly linked to communication and engagement on decisions.

**These performance pillars, and the themes of Stage 1, were confirmed in the wider quantitative study.**



Stage 2 allowed us to explore each of the areas identified in the qualitative stage to identify where the Commerce Commission should focus.

## **PURPOSE AND OVERALL PERFORMANCE IN ITS ROLE**

**There is a good understanding of what the Commerce Commission does and the impact that it has on New Zealanders.**

**89%** say they have at least a good understanding of what the Commerce Commission does.

**74%** believe the Commerce Commission's role is impactful on New Zealanders.

**The Commerce Commission is performing well in its role.**

**65%** believe the Commerce Commission performs its role well.

However, there are certain groups which rate the Commerce Commission lower (advocacy groups and market studies).

**The Commerce Commission strongly associated with enforcement.**

Top of mind, **79%** described the Commerce Commission's role as being focused on enforcement or regulation.

The Commerce Commission can come across as too focused on its enforcer role. The issue isn't with enforcement itself, it's the way in which enforcement is approached and communicated.

**While the Commerce Commission performs well in its role overall, performance drops at an interaction level.**

**57%** believe the Commerce Commission communicates and engages well.

**52%** believe the Commerce Commission make decisions well.

Again, this view is not consistent across all stakeholder groups – industry bodies, advocacy groups and market study businesses rated the Commerce Commission lower.

# Performance snapshot

- In the quantitative survey we asked a number of questions to understand how the Commerce Commission performs on communication, engagement and decision making. Analysis of these measures has highlighted where the Commerce Commission should focus, to not only improve how it is perceived, but also its ability to deliver to stakeholders and all New Zealanders.

## COMMUNICATION

*% stakeholders who agree that the Commerce Commission communications are...*

<i>Respectful</i>	<b>75%</b>
<i>Clarity</i>	<b>65%</b>
<i>Transparent and open</i>	<b>60%</b>
<i>Personable and relationship focused</i>	<b>57%</b>

## ENGAGEMENT

*% stakeholders who agree that the Commerce Commission engages in a way that is...*

<i>Puts me in touch with the right people</i>	<b>58%</b>
<i>Proactive</i>	<b>53%</b>
<i>Collaborative</i>	<b>53%</b>
<i>Timely in response</i>	<b>49%</b>

## DECISION MAKING

*% stakeholders who agree that the Commerce Commission make decisions that are...*

<i>Unbiased</i>	<b>61%</b>
<i>Fair</i>	<b>58%</b>
<i>Logical</i>	<b>58%</b>
<i>Consistent</i>	<b>57%</b>
<i>Transparent</i>	<b>54%</b>
<i>Timely</i>	<b>42%</b>

# Executive summary

Across communication, engagement and decision making, there are consistent themes that emerge for the Commerce Commission to focus on:

## PURPOSE

Clear articulation of the Commerce Commission's role and vision for the future, through a focus on:

- Supporting rather than enforcing
- Embedding expectations within the Commerce Commission organisation

## EXPERIENCE

### CLARITY & TRANSPARENCY

Open and honest communication which is easy to understand, through a focus on:

- Clarity in what is said and how it is said
- Clarity on how stakeholders should collaborate with the Commerce Commission
- Transparency to help manage expectations

### COLLABORATION

Deepening relationships through proactive, reciprocal communication, through a focus on:

- Proactive communication
- Two-way engagement

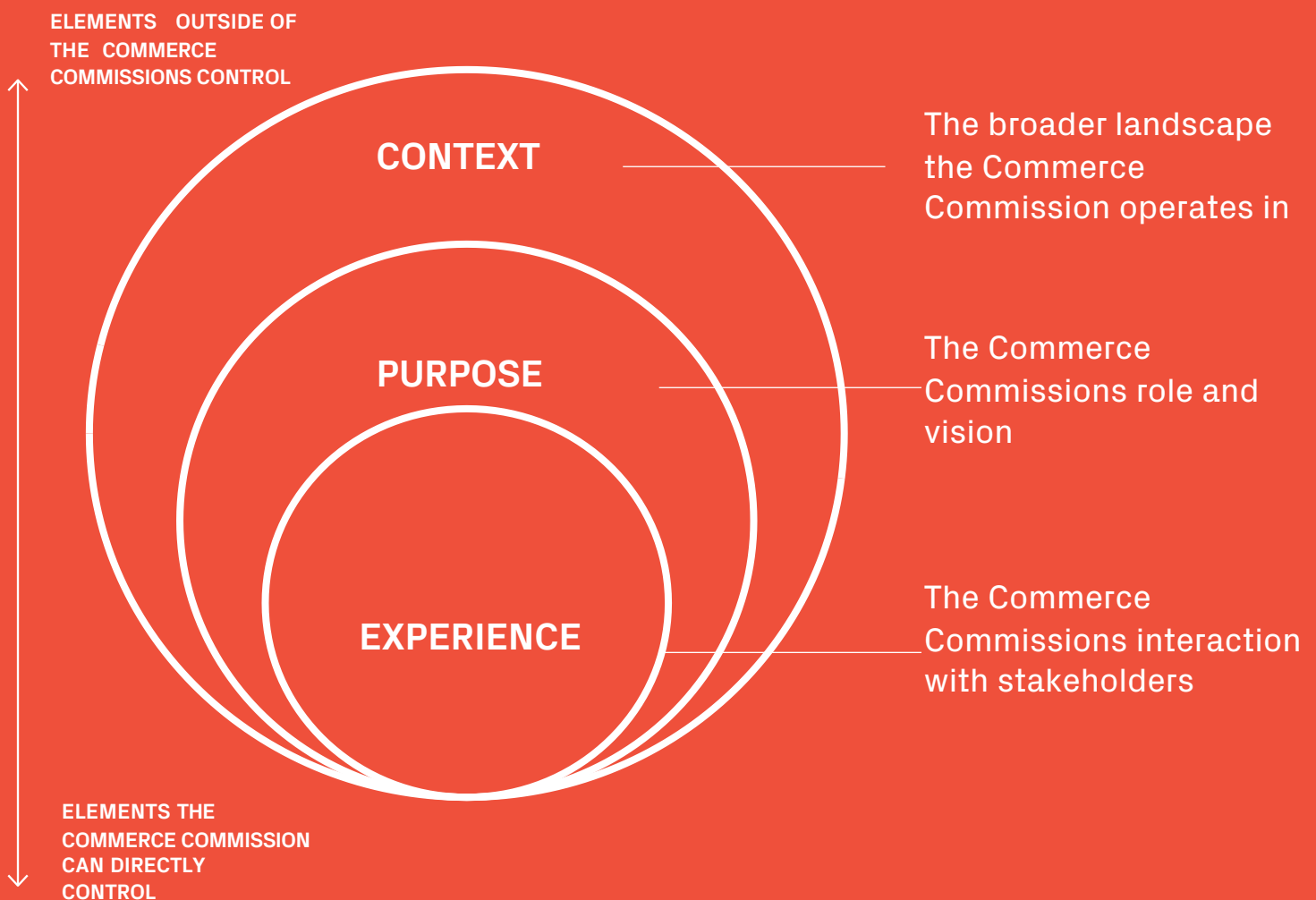
# Comparing Results

It is important to note that the comparison results between previous years' perception studies cannot be directly compared due to variations in the phrasing of questions and response options, and differences in the sample groups.

The below summary provides a broad overview of the comparisons:

- In both 2020 and 2022, stakeholders displayed an understanding of and appreciation for the efforts of the Commerce Commission.
- As found in the 2015, 2018, and 2020 reports, in 2022 the role of the Commerce Commission continues to be well understood.
- Specifically, the role of the Commerce Commission was most often described as regulation and enforcement, consistent with the 2020 report.
- The Commerce Commission continues to be perceived as reactive, rather than proactive in their communications.
- Although not directly comparable, 2022 sees higher ratings for the Commerce Commission's overall performance in their role (12% Very Good 2020 vs 23% Very Well 2022).
- Clarity and transparency were a key area for improvement identified in the 2020 report. The use of lengthy technical language was also noted as a problem. Similar overall sentiments were found in 2022.

# *We will explore three elements that influence perceptions of the Commerce Commission*





# Context

The landscape the  
Commerce Commission  
operates in



# To understand the perceptions of the Commerce Commission, we need to understand the complex landscape in which it operates.

The Commerce Commission has a broad remit with a role which encompasses many areas.



## Business

Ensuring that New Zealand's markets are competitive and certain sectors are appropriately regulated



## Consumer

Ensuring consumers are well informed and protected



## Government

Added pressure to demonstrate that the Commerce Commission is impartial to any government



Stakeholders generally understand the difficult position the Commerce Commission is in to help both consumers and businesses be equally confident market participants, along with perceived political pressures.

There is also an understanding of the tough economic environment, which is exacerbating the pressures from these three angles.

# Purpose

An understanding of the  
role and vision of the  
Commerce Commission

A large, white, stylized number '2' is centered on a red rectangular background. The red background is tilted at an angle, creating a sense of depth and movement. The number '2' is also tilted to match the background. The overall composition is clean and modern.



## Most stakeholders feel that they have a broad understanding of Commerce Commission's role

From our quantitative survey we found that:

38% have a very good understanding  
51% have a good understanding  
11% have a limited understanding

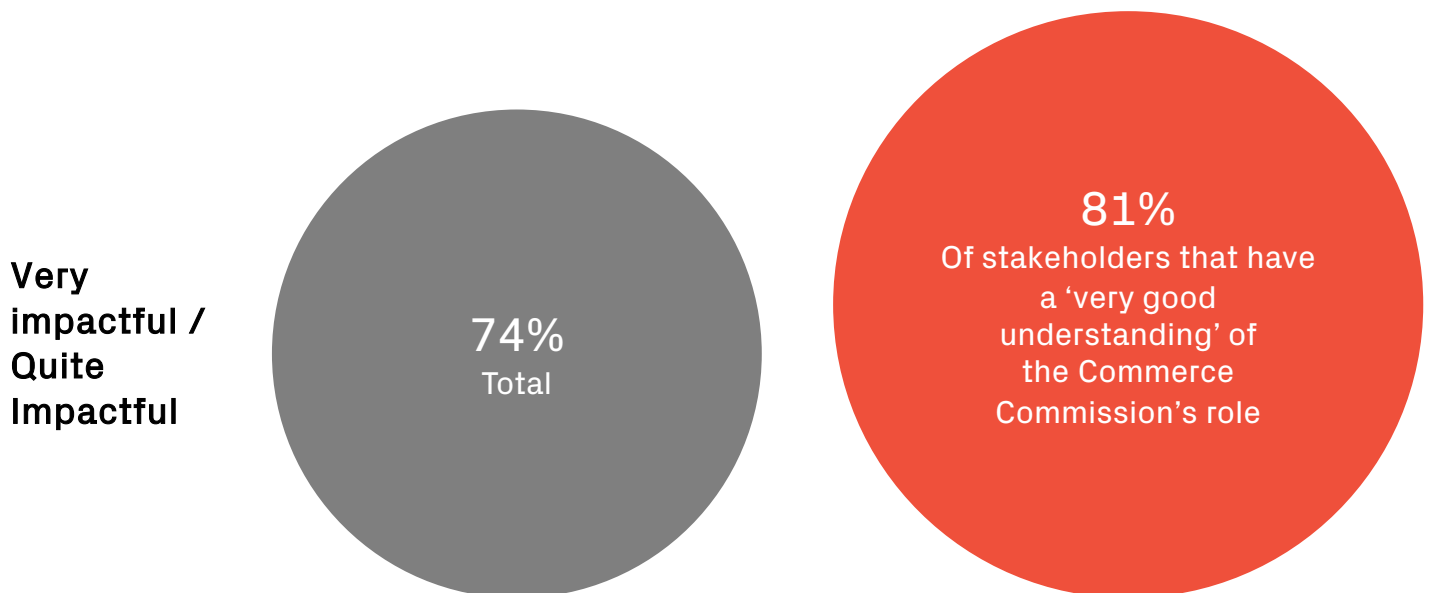
■ *Understanding of the Commerce Commission's role was also high in the 2020 perception audit*

**However, those from advocacy groups\* are less likely to feel they have an understanding of the Commerce Commission.**

*This is largely driven by less interaction with the Commerce Commission.*

# Stakeholders that have a good understanding of the Commerce Commission's role perceive it as being more impactful

## IMPACT OF THE COMMERCE COMMISSION ON NEW ZEALANDERS



- *Although not a direct comparison, in the previous perception audit conducted in 2020, 99% of respondents said that the Commerce Commissions role was important.*

*"I don't know the Commerce commission very well. My assumption is that they do great work. And could spend more energy communicating simply and clearly to the general public what their mission is."  
Consumer advocacy group*

### IMPLICATION

An understanding of the Commerce Commission and what it does is linked to an increase in perceived impact.

This highlights the importance of fostering a deep understanding of the Commerce Commission's role.

**When stakeholders were asked what the Commerce Commission's role is off the top of their heads...**

**42% described it as being focused on regulation, and 37% described its role as enforcement.**

Other descriptions included viewing the Commerce Commission as a protector, promoting competition, and fairness.

**Unprompted, there was little mention of the role that the Commerce Commission plays in education for businesses and consumers (4%).**

*“Their role is as much to educate and inform as it is to regulate. they're trying to move into that education space but I don't think they're quite there yet.”*  
*Regulated business, Energy sector*

# Enforcement is an important part of the Commerce Commission's role...

92% of stakeholders state that it is important for the Commerce Commission to effectively enforce the law.

## ...but this is often seen as reactive rather than proactive

There is a sense that the Commerce Commission can be too focused on their role as enforcers and when something goes wrong rather than trying to prevent it in the first place.

The Commerce Commission in a “policing” role comes with negative connotations of being a supervisor and punisher, rather than a leader and enabler. This is largely driven by businesses who have been investigated.

- *“Adopt a more 'supervisory' mindset to work with industry to encourage compliance. The ComCom is too focused on enforcement outcomes and penalising business for breaches. The ComCom needs to focus more on collaboration and ensuring businesses feel comfort.”  
Business, Financial Services*
- *“I feel like they are a police car that just follows you around constantly waiting for you not to stop at a give way sign.”  
Regulated business, Energy sector*
- *“They need be less about the clipboard looking to catch us and more about working with us.”  
Business, Manufacturing sector*

## IMPLICATION

There is a clear role for the Commerce Commission to lean more into being an *enabler* rather than an enforcer

Enforcement is an important part of the Commerce Commission's role. However, there is an opportunity to reframe how enforcement is spoken about, through:

### 1. CLEAR ARTICULATION OF THE COMMERCE COMMISSION'S ROLE AND PURPOSE

- Being clear in what the Commerce Commission does and its vision through consistent communications.
- This should be focused on ensuring New Zealanders are better off through supporting businesses and consumers.

### 2. A FOCUS ON SUPPORTING RATHER THAN ENFORCING

**For business-focused stakeholders this means...**

- Proactively sharing meaningful communications to help businesses do the right thing and support them in upholding regulation.

**For consumer-focused stakeholders this means...**

- Any enforcement actions need to be conducted and communicated as a partnership, working towards a collective outcome.

*"When communicating, consider the purpose behind what you do. This is about making NZ safer, protecting customers rights etc, but these messages are not delivered - it is all about compliance."  
Business, Financial Services*



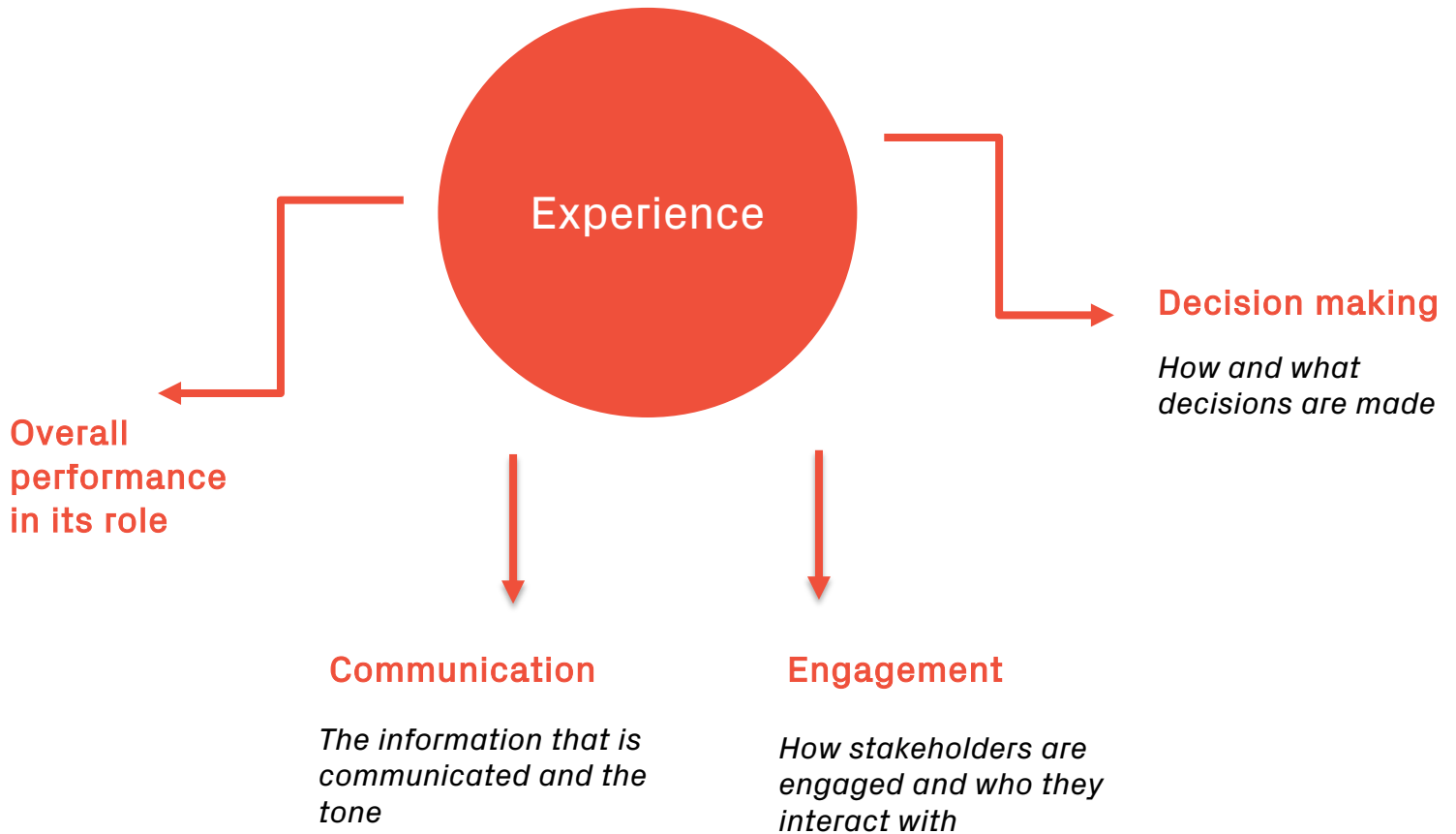
# Experience

An understanding of the  
Commerce Commission's  
interactions with stakeholders



# Experience perceptions are a culmination of many factors

The initial qualitative stage identified four overarching areas that form the basis of perceptions of stakeholders' experience with Commerce Commission.



We will explore these areas in more detail



**Overall performance  
in its role**



# *At an overall level, the Commerce Commission is seen to be performing well in its role*

*65% believe the Commerce Commission performs its role well.*

*Broken down, this looks like:*

- 23% very well*
- 42% quite well*
- 21% neutral*
- 12% poor*

*Note: Doesn't add to 100% as 'don't know' option was included*

*However, this is not consistent across all stakeholders, with some rating lower.*

*Rating on 'well' (including very/quite well)*

- Consumer advocacy groups: 50%\**
- Stakeholders who interacted on market studies: 35%*

- Although not directly comparable, the Commerce Commission's performance in their role has improved since the 2020 perception audit.*

## **2020 rating**

*Very good 12%*

*Above average 42%*

*Average 34%*

*Below average 5%*

*Poor 3%*

Source: Commerce Commission stakeholder questionnaire

Q How well do you believe the Commerce Commission performs in its role overall

Base: Total sample n=248 Consumer advocacy group n=13 Market studies n=31

\*Low base size less than 30

# Performance is nuanced through the eyes of stakeholders

Although the Commerce Commission has its own indicators of what good performance means, stakeholders shared their own views. From the qualitative stage, four themes emerged:

1. **Independent and Impartial** – Of any organisation and government
2. **Knowledgeable Understanding** – Demonstrates knowledge and expertise in specific industries/sectors/context
3. **Balanced Actions** – The right balance of enforcement vs educative behaviours
4. **Big Picture** – Takes the whole picture into consideration, not purely economic factors

**We measured performance on these four themes quantitatively:**

% of stakeholders who agree that Commerce Commission...	
Is unbiased in the way it enforces the law	<b>64%</b>
Demonstrates knowledge and expertise in your industry/sector	<b>62%</b>
Effectively enforces the law	<b>57%</b>
Educates consumers on their rights	<b>56%</b>
Educates businesses on how to comply with the law	<b>51%</b>
Sees the bigger picture of what's best for New Zealand going forward	<b>45%</b>

Balanced actions

## Stakeholders value the Commerce Commission's independence, but there is a sense of unfairness for some

% of stakeholders who agree that Commerce Commission...	
Is unbiased in the way it enforces the law	64%

Stakeholders have faith that the Commerce Commission is independent of any one organisation and see this as an important role to play in society.

While stakeholders largely perceive the Commerce Commission to make fair and unbiased decisions, there is a sense of unfairness for some.

There is empathy for the position the Commerce Commission are in, but there is also a feeling of frustration towards a perceived sense of political pressure. The market studies are the focal point here, with an argument from industries and media that they were politically charged.

Some larger companies do feel they are 'targeted' because they are the largest headline grabbing names and feel there could be a more level playing field for all competitors in a market.

### STAKEHOLDER NUANCE

Those who interacted with the Commerce Commission on market studies rated the Commerce Commission at 52%.

## Sector understanding varies depending on the Commerce Commission personnel and structure

% of stakeholders who agree that Commerce Commission...	
Demonstrates knowledge and expertise in your industry/sector	62%

Stakeholders that work with dedicated commissioners or have previous experience in a specific industry praised Commerce Commission for their ability to understand their point of view.

However, some stakeholders described inconsistencies when there was limited background to their context, or when dealing with different parts of the Commerce Commission.

### STAKEHOLDER NUANCE

Industry bodies and consumer advocacy groups rated the Commerce Commission higher on demonstrating knowledge of their industry. This is supported by our qualitative findings that these stakeholders look to the Commerce Commission for resources and educational support, and see them as expert an in their space.

Stakeholders who interacted with the Commerce Commission on market studies rated the Commerce Commission lower. We heard in the qualitative research that some businesses feel that the Commerce Commission can only learn so much about their complicated industries in the time it takes to complete a study.

*"In market studies, they have to learn and regulate a market in a year - I think that regulation is unrealistic in that sense." Regulated business, Energy sector*

*"It would be nice to share what's happening in each other's worlds...it's been a bit disjointed in the last couple of years." Industry body, Retail sector*

## Stakeholders feel more education could help balance enforcement actions

% of stakeholders who agree that Commerce Commission...	
Effectively enforces the law	57%
Educates consumers on their rights	56%
Educates businesses on how to comply with the law	51%

There is a feeling amongst stakeholders that the Commerce Commission relies too much on its enforcer role.

There is a perception that the Commerce Commission can sometimes be too reactionary to complaints or media sources, without doing background research or talking directly to stakeholders first.

### STAKEHOLDER NUANCE

Advocacy groups for both consumer and community rated the Commerce Commission lower on effectively enforcing the law (39% vs 57% total). This is because they would like to see more enforcement of companies that they know for certain are not acting in the best interest of consumers.

Businesses would like more proactive support and education around how to make decisions that comply with regulation, rather than reactive enforcement.

*"ComCom should be empathetic and understanding as they currently are, but then more aggressive in punishing the bad guys." – Advocacy group*

*"Education is an important role - they should be working more closely with industry bodies to get in front of the sector." - Industry body*

## Broadening an economic perspective can help the Commerce Commission see the big picture

% of stakeholders who agree that Commerce Commission...	
Sees the bigger picture of what's best for New Zealand going forward	45%

The Commerce Commission is perceived as overly economic and theory based, which can get in the way of seeing the bigger picture of what is best for New Zealand going forward.

For example, technology advancement and sustainability were identified as more nuanced issues that extend beyond pure economic regulation. Whether it be understanding that investment is necessary for regulated industries, or that technology has changed marketplace models, businesses want to see that the Commerce Commission are taking a more holistic approach to the future of New Zealand.

### STAKEHOLDER NUANCE

This was a consistent view across stakeholders and was heightened amongst those who interacted with the Commerce Commission on Market studies and Competition rated lower.

# Looking at how Commerce Commissions interacts with stakeholders, we see some areas to improve

## COMMUNICATION AND ENGAGEMENT

57% believe the Commerce Commission communicates and engages well

- 19% very well
- 29% quite well
- 28% neutral

## DECISION MAKING

52% believe the Commerce Commission makes decisions well

- 14% very well
- 38% quite well
- 24% neutral

Again, this is not consistent across all stakeholders, with some rating lower

Rating on Well (very/quite well)

- Industry bodies 42%\*
- Stakeholders who interacted on market studies 35%

COMMUNICATION  
AND  
ENGAGEMENT

DECISION  
MAKING

- Industry bodies 32%\*
- Community advocacy groups 36%\*
- Stakeholders who interacted on market studies 26%

# Communication & Engagement Perceptions

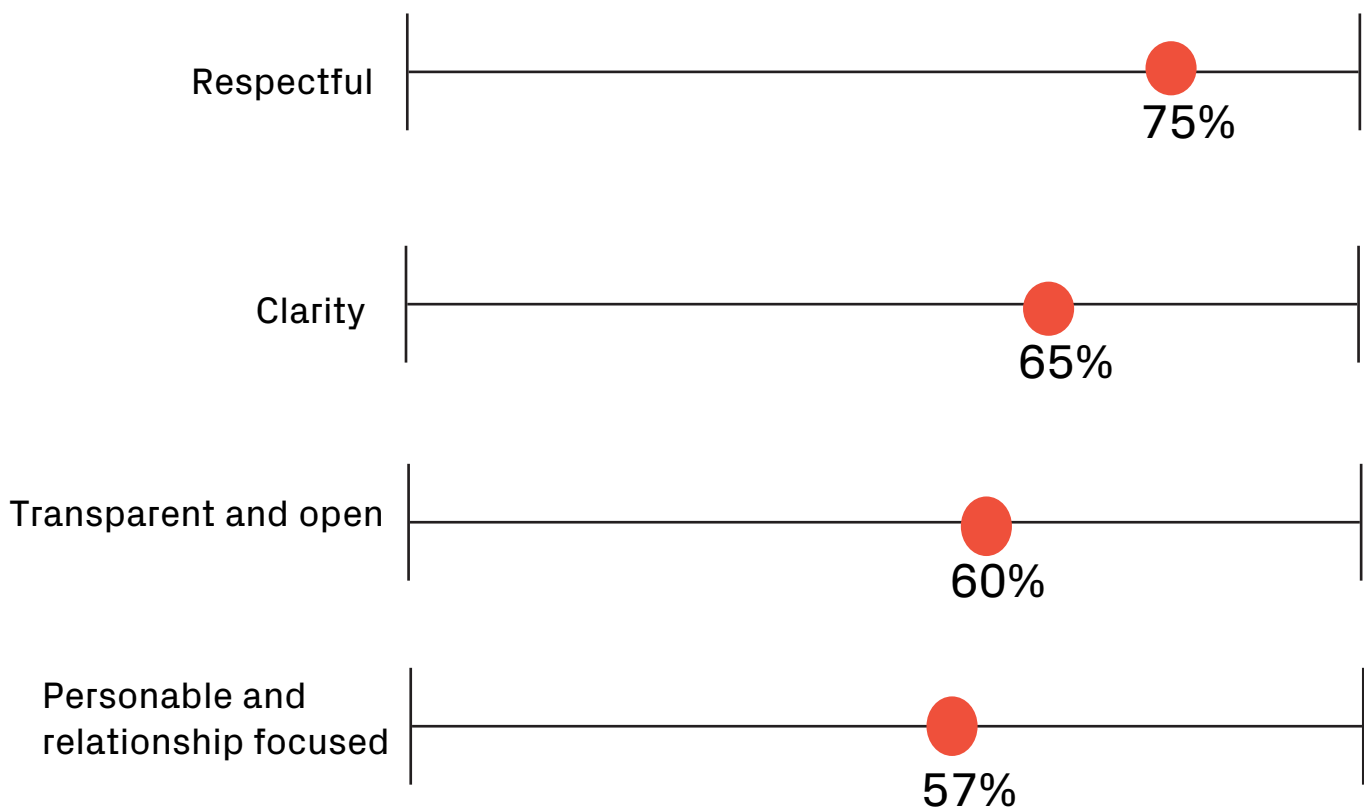


# Communication performance snapshot

The Commerce Commission has strength in being respectful but stakeholders are looking for more clarity and transparency in a way that feels like Commerce Commission is working together with them to solve the problem.

There were four key communication principles that were identified by stakeholders which underpin great communication.

% of stakeholders who agree that the Commerce Commission communications are...



## STAKEHOLDER NUANCE

- Advocacy groups (both consumer and community) rated the Commerce Commission higher on being respectful. However, for these groups transparency was lower (48% vs 60%).
- Stakeholders who interacted with the Commerce Commission on market studies\* rated significantly lower across communication principles. (Clarity 39%, Transparent & Open 48%, Personable and relationship focused 42%).

Source: Commerce Commission stakeholder questionnaire

Q. Thinking about how the Commerce Commission **communicates and engages with you**, how strongly do you agree or disagree that the Commerce Commission...

Base: Total sample n=248 Advocacy groups n=36 Market studies n=31

\*Low base size less than 30

# COMMUNICATION

THE INFORMATION THAT IS COMMUNICATED AND THE TONE

## What is behind the scores?

The Commerce Commission communicates in a way that is respectful, but there are some clear areas to focus to improve communication with stakeholders...

- The Commerce Commission is seen to have a tendency to communicate in a way that is open for interpretation, leaving little clarity on what needs to be done and what the next steps are.

The use of technical language and lengthy documents with no clear takeaways also contributes to a lack of clarity.

- Stakeholders feel that the Commerce Commission could be more transparent and provide the “why” behind actions.
- The Commerce Commission's employees are often just a name stakeholders see on a letter or an email. These interactions contribute to perceptions of communication being transactional and overly formal.

The Commerce Commission's perceived focus on enforcement and “policing” further contribute to these perceptions.

Where stakeholders have face-to-face communication with the Commerce Commission, better relationships can be achieved.

*“Engage in an open / proactive manner. Need to engage via proper discussion, letting all parties flesh out the issues and ask questions. Formal scripted discussion doesn't draw out the sector issues.” –Business, Electricity*

*“I would like to see the Commission be clear and transparent and tell people what they are investigating and why. It is the hidden agenda that makes people guarded.” –Business, Financial Services*

*“Be clearer and less secretive about its workings. There's always a suggestion of tell us what we want, or we will use our legal powers to force you to..” – Business, Other services*

## STAKEHOLDER NUANCE

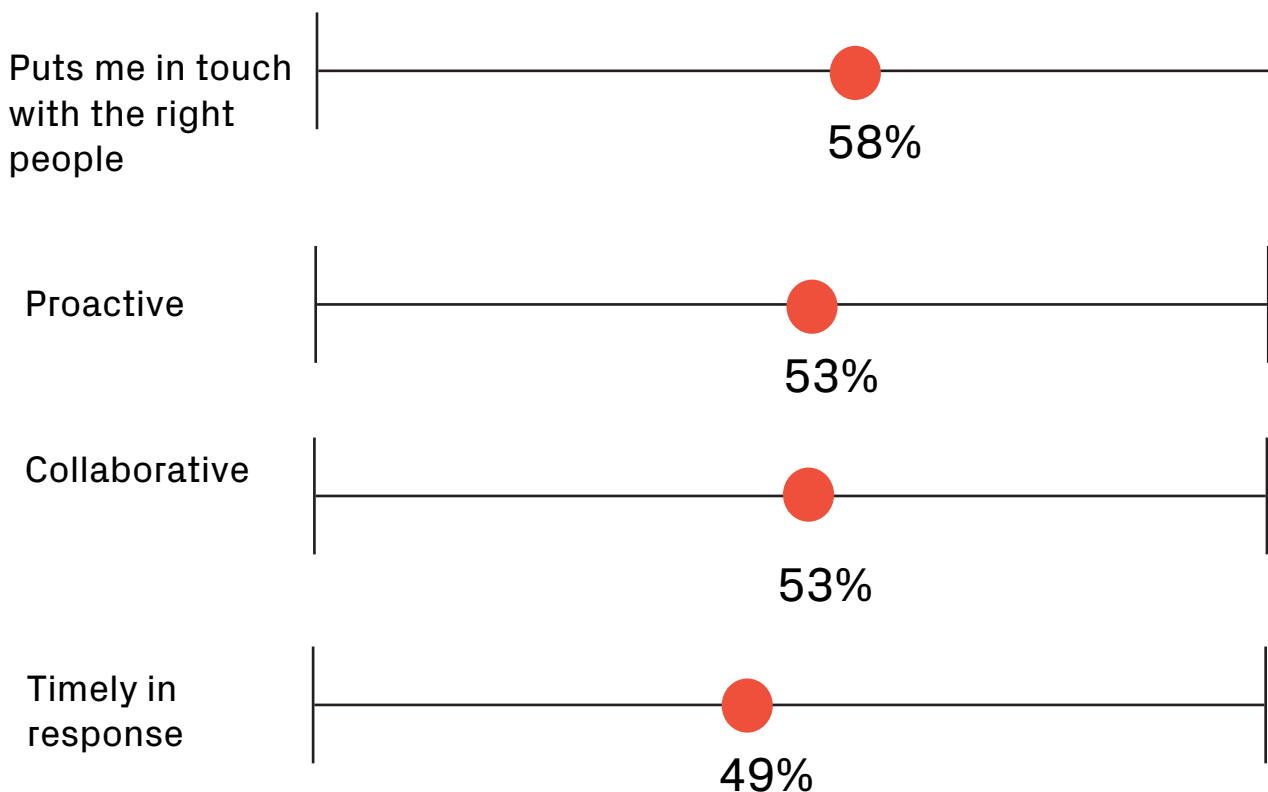
- Advocacy groups' lower perceptions were driven by lack of interaction with the Commerce Commission.
- The Commerce Commission was viewed as being secretive and legalistic by market study businesses.

# Engagement performance snapshot

Performance on engagement principles varied by stakeholder groups, but there is room for improvement across all areas.

In the qualitative stage, there were four key principles which were identified by stakeholders on what's important in how the Commerce Commission engage

% of stakeholders who agree that the Commerce Commission engage in a way that is...



## STAKEHOLDER NUANCE

- Businesses and industry bodies\* rated the Commerce Commission lower on collaboration.
- Community advocacy groups\* performance ratings were largely in line with total stakeholders, with the exception of 'puts me in touch with the right people' which was significantly lower.
- Stakeholders who interacted with the Commerce Commission on market studies rated the Commerce Commission lower across all engagement principles.

Source: Commerce Commission stakeholder questionnaire

Q Thinking about how the Commerce Commission **communicates and engages with you**, how strongly do you agree or disagree that the Commerce Commission...

Base: Total sample n=248 Community advocacy groups n=23, Business n=132, Industry body n=19, Market studies n=31

\*Low base size less than 30

# ENGAGEMENT

HOW STAKEHOLDERS ARE ENGAGED AND WHO THEY INTERACT WITH

## What is behind the scores?

- Getting access to the 'right' people and level of seniority can be an issue for stakeholders. People are either unsure of the who the right person is to reach out to or find it difficult to get in front of commissioners.
- Many stakeholders noted the recent change in leadership that has made proactive moves towards being more outward facing.

But stakeholders perceive that the Commerce Commission could be more proactive in its interactions, as communication only seems to happen when Commerce Commission need something.

- There is a sense that the Commerce Commission works in a silo and doesn't always work together with stakeholders to find solutions – people referred to them as a 'black box'.
- Stakeholders acknowledge the constraints the Commerce Commission is under, especially when investigating, but they feel more effort could be put into providing updates on where things are at.

*"I feel we provide a lot of information to ComCom to help them do their jobs but the changes that need to be made are not communicated back to us and things take so long to reach any conclusion. The follow up is always on us rather than ComCom keeping us posted." – Consumer advocacy group, Financial Services*

*"The overall perception is of slowness to handle issues -would it be possible to give more indication of what is being worked on and what impact that has on when issues might be reported and resolved? Even just a timeline on the website showing the case" –Market study, Grocery sector*

*"There's an expectation that my organisation should drop everything and instantly provide the Commission with information or be available. But then my correspondence gets lost in a black hole for weeks." – Market study, Building supplies*

## STAKEHOLDER NUANCE

- When businesses are waiting for decisions to be made, they would like more engagement throughout the process. Right now, it feels like they are being left in the dark until an outcome is reached.
- Industry bodies want more collaboration with the Commerce Commission in conversations aligning to their industry to get ahead of issues early.
- Engagement with advocacy groups is perceived as ad hoc and formed on the basis of personal relationships, rather than structured regular engagement. This means that engagement can fall to the wayside when certain staff members leave.

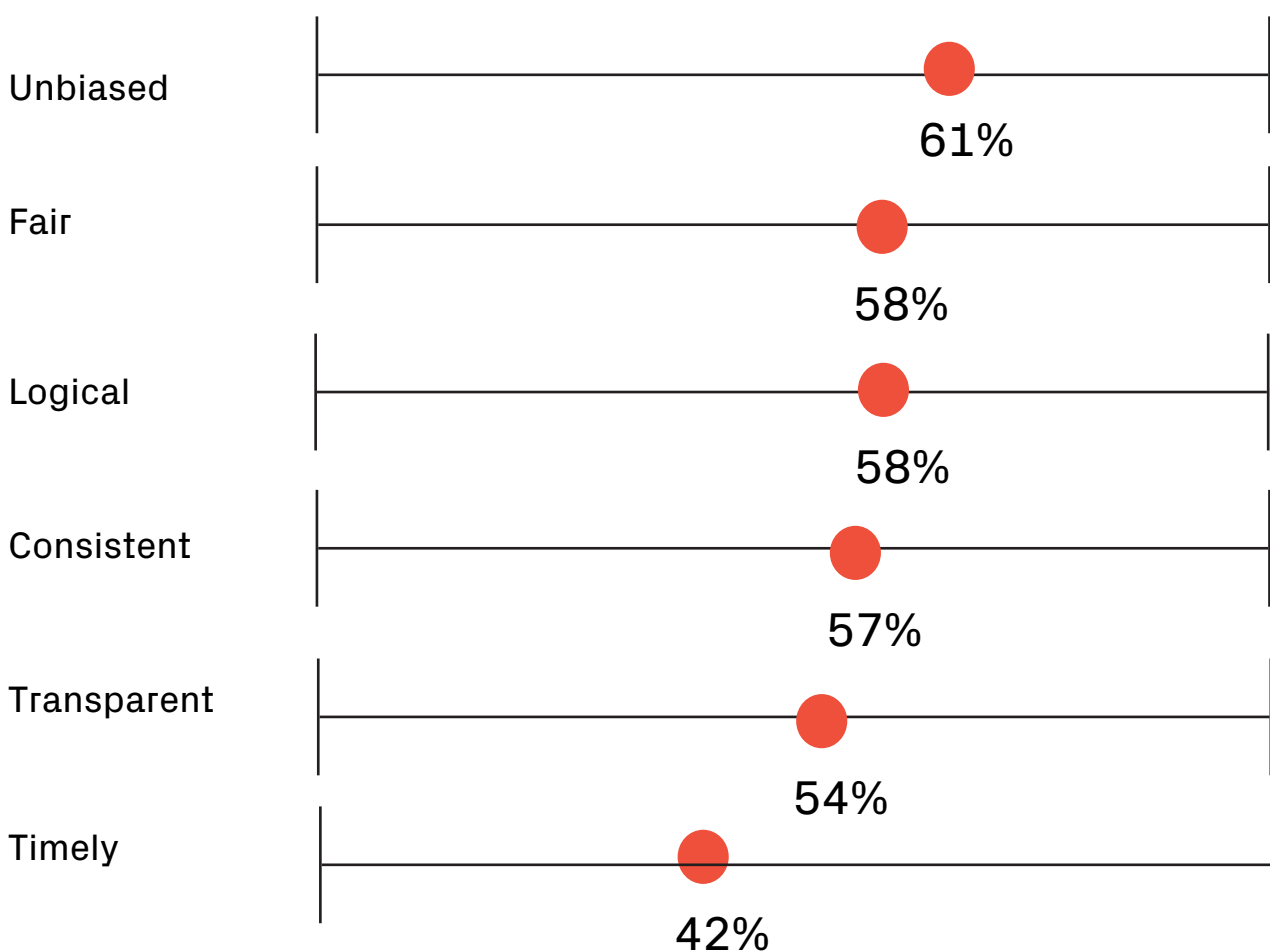
# Decision making perceptions

# Decision making performance snapshot

The Commerce Commission's decision making spans many different contexts, but the below principles remain consistent across all.

The Commerce Commission has relative strength in making unbiased and fair decisions, with room for improvement across the principles.

% of stakeholders who agree that Commerce Commission make decisions that are...



## STAKEHOLDER NUANCE

- Decision making perceptions rated consistently across stakeholder groups, with the exception of market studies.
- Stakeholders who interacted with the Commerce Commission on market studies rated lower across all principles. On an average, their ratings across these principles was 21% lower than the total stakeholder rating.

Source: Commerce Commission stakeholder questionnaire

Q Thinking about how the Commerce Commission **and how they go about making decisions**, specifically those that impact your organisation, how strongly do you agree or disagree that the Commerce Commission is...

Base: Total sample n=248 Community advocacy groups n=23, Business n=132, Industry body n=19, Market studies n=31

\*Low base size less than 30

# DECISION MAKING

## HOW DECISIONS ARE MADE

### What is behind the scores?

- The Commerce Commission is seen to make fair and unbiased decisions, but the way in which these decisions are communicated to stakeholders could be improved.
  - The time it takes for decisions to be made was a key issue raised by stakeholders.
  - The Commerce Commission can sometimes be seen as being at the mercy of political powers, especially when it comes to market studies.
  - There is not always an explanation or clarity on 'the working' to reach a decision.

*"You just don't know whether that is consistent with what's going to happen - if it goes up to commissioners or comes down from commissioners."  
- Regulated business, Energy sector*

*"They don't meet deadlines, but enforce tight deadlines on us" - Regulated business, Telco sector*

*"Quicker processes. The delays put businesses off proactively engaging with the Commerce Commission. We need quicker resolution of matters." - Business, Other services*

*"Enforcement guidelines are good, but timing isn't. We don't always know when they've finished an enquiry or when we would expect to hear." - Regulated business, Grocery sector*





# Bringing it all together

Where the Commerce  
Commission should focus



# There are common areas for the Commerce Commission to focus on that are relevant to all stakeholders

However, the way in which the Commerce Commission achieves these principles may differ depending on stakeholder group.

## PURPOSE

Clear articulation of the Commerce Commission's role and vision for the future

## EXPERIENCE

### CLARITY & TRANSPARENCY

Open and honest communication which is easy to understand

### COLLABORATION

Deepening relationships through a focus on working together

# PURPOSE

## ACTIONS & COMMUNICATIONS

**1**

### Clear articulation of the Commerce Commission's role and purpose

- Being clear in what the Commerce Commission does and its vision through consistent communications.
- This applies to communications across all channels, including the Commerce Commission website, workshops, conferences, media advertising, and other resources.
- This should be focused on ensuring New Zealanders are better off through supporting businesses and consumers.

**2**

### Reframing how the Commerce Commission is perceived as an enforcer

- Moving away from the Commerce Commission's perception as an enforcer to being an enabler that works together with businesses and consumers to make New Zealanders better off.
- This is about approaching regulatory actions in a way that is not accusatory.

**3**

### Embedding expectations into the company

- Perceptions of the Commerce Commission are built through the actions, behaviours, and relationships of every person in the organisation. Building expectations into everyone's role around the key principles that the Commerce Commission want to improve will be critical to success, it cannot simply be delegated to a communications department.

# CLARITY & TRANSPARENCY

## ACTIONS & COMMUNICATIONS

### **1** Clarity in what the Commerce Commission says and how it is said

#### What is said

- Use plain English across all communications, and being clear in what the key outcomes, actions, or next steps are. For example, a summary section or overview which covers the key points could be provided. This is particularly important for longer term communications.
- Communicate reasoning and steps taken to get to decisions.

#### How it is said

- Simplify language into easy to understand and digestible outputs.
- Identify where different channels might be appropriate to leverage.
- Give stakeholders the opportunity to discuss over the phone or face-to-face if necessary.

### **2** Clarity on how to collaborate with the Commerce Commission

- Ensure stakeholders are clear on when to call on the Commerce Commission, what the Commerce Commission can support them in, and who to contact when needed.

### **3** Being transparent to help manage expectations

- The Commerce Commission needs to understand its own limitations and set realistic expectations of next steps and timings – for example, why it may not be able to dedicate time, what it can realistically do in the timeframe.
- When communicating with stakeholders, let them know where they are in the process.
- Acknowledge receipt of information or emails from stakeholders.

# COLLABORATION

## ACTIONS & COMMUNICATIONS

### 1 Proactive communication

- Proactively sharing meaningful communication relevant to different stakeholder groups – for example, newsletters with relevant updates.
- Ensuring prior consultation and engagement when requesting information or taking enforcement action.

### 2 Two-way engagement

Engagement that allows for feedback, conversation, and opportunities for stakeholders to discuss and challenge.

- Open lines of communication where businesses can ask questions and speak to the Commerce Commission staff. This is about providing opportunities for stakeholders to communicate with the Commerce Commission if needed. For businesses it's making sure they can ask questions about upcoming decisions and for industry bodies/advocacy groups it's getting clarity on regulations in order to pass that on to members.
- Building in moments across the process for conversation and dialogue, e.g. regular check in sessions
- Give stakeholders the opportunity to provide feedback on the process.

# SPECIFIC JOBS TO DO FOR STAKEHOLDER GROUPS

## BUSINESSES

### Regulated businesses

- Clarity and transparency around upcoming regulation changes. Regulated industries would like to have regular updates.
- Shifting the balance from accusatory to a more collaborative approach, including providing businesses with the support they need to achieve compliance.
- To improve perceptions of the Commerce Commission's understanding of technology and sustainability, employees need to be upskilled and their expertise in this area needs to be communicated to stakeholders.
- Open lines of communication where businesses can ask questions – businesses want to make sure decisions are compliant with regulations *before they happen*, not after. Right now, they feel like they don't get any proactive help, just reactive action.

### Market studies

- Market study businesses wanted more transparency and pre-warning around market studies that will be taking place in the future. While the Commerce Commission is unable to pre-warn businesses, they can provide clarity around the level of information and engagement required in the process at the beginning of the market study. This will help to manage expectations and improve transparency.
- Similarly to regulated businesses, they would like open lines of communication where businesses can ask questions.

# SPECIFIC JOBS TO DO FOR STAKEHOLDER GROUPS

## INDUSTRY BODIES

- Industry bodies want more of a relationship with the Commerce Commission – they want to help the organisations that they represent but currently feel left out of the conversation.
- In-person communication (seminar and workshops) were called out as being valued by this group.
- To help the organisations they work with, industry bodies want clarity and transparency around what's going on in the industry and what's coming up (e.g regulation changes).
- Education plays an important role here – they want to see more resources for industry. These resources should be accessible for smaller businesses without legal teams. Simple and easy to digest outputs are key here.

# SPECIFIC JOBS TO DO FOR STAKEHOLDER GROUPS

## CONSUMER ADVOCACY GROUPS

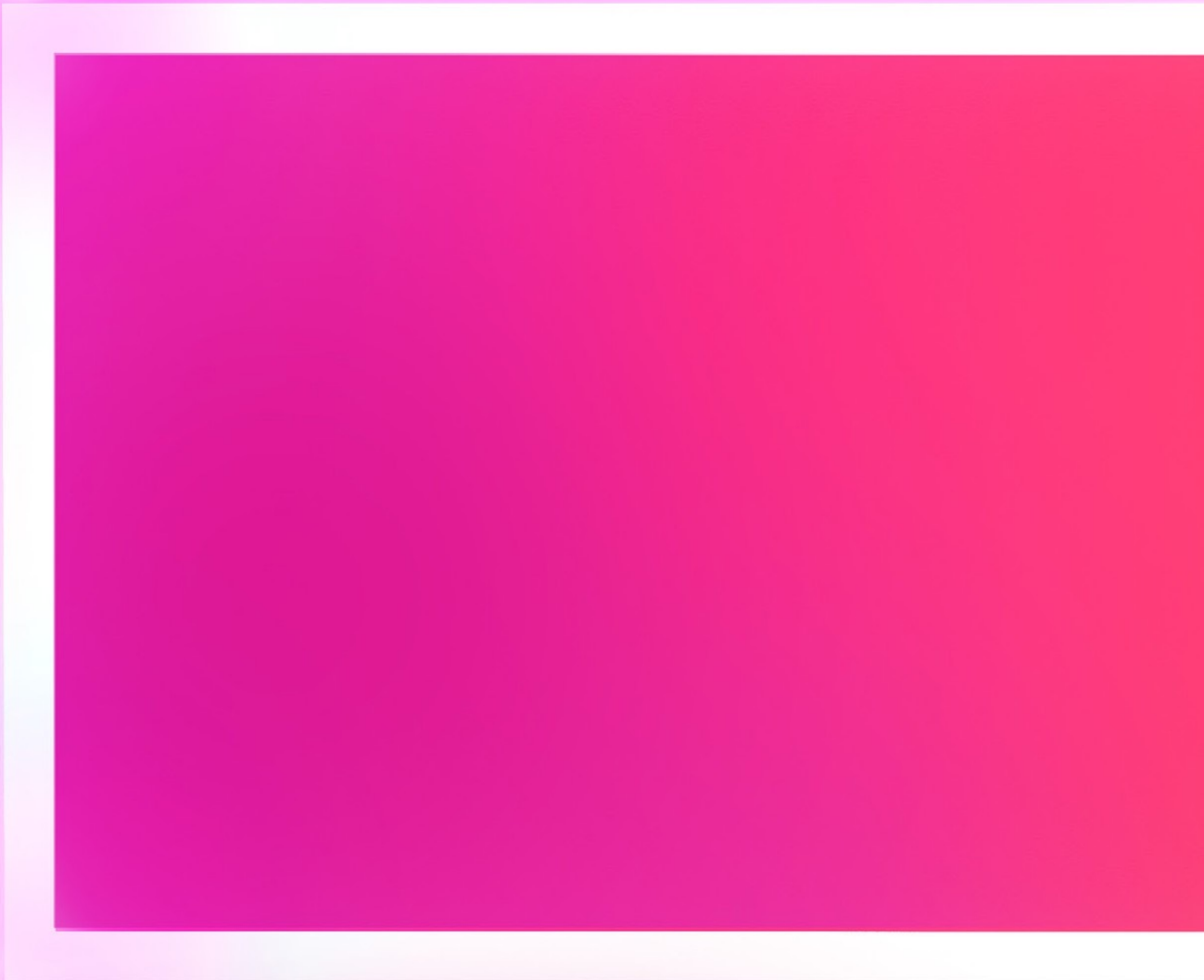
- Advocacy groups view the Commerce Commission as knowledgeable and look to them for resources and educational support.
- Currently advocacy groups do not have the collaborative relationship with the Commerce Commission that they are looking for.
- There is an opportunity for the Commerce Commission to collaborate and partner with advocacy groups to leverage their relative strengths. Advocacy groups want to use their knowledge of consumers to feed into the Commerce Commission's educational strategies as well as benefit from the Commerce Commission's knowledge.
- Advocacy groups need support from the Commerce Commission on education and resources on regulation and how this impacts consumers. Educational videos and how to guides which can be distributed were seen as valuable resources, as well as on-the-ground training for staff.
- Regular meetings should be held with advocacy groups in order to build and maintain relationships, with the view that if their key contact moves on from the organisation, they are still connected through others.

**Ngā mihi**



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