

2 October 2020

Consumer Data Right Project Team
Commerce, Consumers and Communications
Ministry of Business, innovation & Employment
PO Box 1473
Wellington 6140

Emailed to: consumerdataright@mbie.govt.nz

Tower Limited submission on Options for Establishing a Consumer Data Right in New Zealand Discussion Document

Thank you for the opportunity to provide a written submission on the *Options for Establishing a Consumer Data Right in New Zealand Discussion Document* ('Discussion Document'), released for comment by the MBIE in August 2020.

Tower Limited ('Tower') is the third largest insurer of domestic buildings in New Zealand. It is listed on the NZX and is a licenced insurer. Tower offers products across the domestic and small business space in both New Zealand and the Pacific Islands.

Whilst we have contributed to the Insurance Council of New Zealand (ICNZ) submission and support some elements of it, we would like to express our strong support for a consumer data right and have therefore elected to also make our own submission.

Tower firmly supports a consumer data right

Tower is a digital challenger brand and believes the effective and safe use of data plays a critical role in delivering good customer outcomes. This includes providing a more efficient approach to sharing appropriate data. We therefore firmly support the introduction of a consumer data right to the New Zealand market as we believe it delivers better outcomes for customers.

Advantages of introducing a consumer data right

Implementing a consumer data right will have a number of advantages for both consumers and the broader economy including:

- **Efficiency:** Increased efficiency and reduced time taken to switch between insurers.
- **Better digital experience:** Enabling consumers to experience a more customer friendly digital journey by reducing the number of touch points, reducing processing time and increasing transactional accuracy.
- **Consumer awareness and transparency:** Enhancing consumer awareness of their data and alternative options available to them by other providers. While consumers currently have the ability to access data through privacy requests, we

expect that introduction of a consumer data right will increase consumer's visibility of their data held by organisations.

- **Investment:** Encouraging organisations to invest more in their data and data infrastructure.
- **International alignment:** Will bring New Zealand into line with overseas jurisdictions who have implemented consumer data rights and data portability legislation.
- **Open new opportunities:** There are numerous untapped and yet to be identified opportunities, relating to the exchange of customer data with third parties. These will only serve to open up improved services, and choices for customers to consider.

Potential risks of a consumer data right

There are some key risks that would need to be addressed and managed to ensure the successful implementation of consumer data rights:

- **Vulnerable customers:** The introduction of a consumer data right has the potential to further disadvantage vulnerable customers who may be unable to engage in the digital economy and provide or receive data. We agree with the ICNZ's recommendations to protect vulnerable customers.
- **Privacy:** The ICNZ have correctly highlighted that introducing a consumer data right will increase the risk from a privacy and data security perspective, and these risks will need to be mitigated.

Conclusion

Thank you again for the opportunity to submit on this consultation. Please contact Blair Turnbull [REDACTED] should you have any questions regarding our submission or require further information.

Yours sincerely,

[REDACTED]
Blair Turnbull
Chief Executive Officer
Tower Limited