

# Consumer Protection

## New Zealand Consumer Survey 2020

### SUMMARY FINDINGS



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## Summary of key findings

The Consumer Protection team (Consumer Protection), part of the Ministry of Business, Innovation, and Employment (MBIE), provides products, tools and programmes to help inform New Zealanders about their consumer rights, how to make smart purchasing decisions, and how to confidently deal with problems if they arise.

In 2020, Consumer Protection commissioned a national survey of consumers to find out what New Zealanders know about their rights and their experiences of dealing with problems. Where possible, the survey findings are compared back to previous surveys conducted in 2018 and 2016. The findings of this research contribute to the ongoing assessment of the consumer regulatory system.

In total, 1,734 consumers aged 18 years or over completed the survey – a response rate of 17% - with the majority completing the survey online. Responses have been weighted to ensure the sample is representative of the New Zealand population.

### **Awareness of consumer rights and laws existing is still widespread, and knowledge of these rights has improved over the past two years.**

Almost all consumers are aware that laws exist in New Zealand to protect their basic consumer rights when purchasing products and services (this is consistent with previous years). While awareness is almost universal, self-reported knowledge of these laws is still low (less than half feel they have at least a moderate understanding of these laws). However, knowledge has improved since 2018. When tested, 26% of consumers answer at least six out of ten scenarios correctly in 2020, compared to 19% in 2018.

Those groups of consumers whose tested knowledge is lower than average include those who are currently studying, those aged 18-26, women, and those whose highest education is secondary school. In contrast, those whose tested knowledge is higher than average include those with a higher annual household income, men, those in paid employment, or with a degree.

Self-reported knowledge of the specific laws remains consistent with 2018. Consumers continue to report higher awareness and understanding of the Consumer Guarantees Act (CGA), and Fair Trading Act (FTA), compared to the Credit Contracts and Consumer Finance Act (CCCFA). However, awareness of the CCCFA has increased compared to 2018 (71%, compared to 67%).

### **Consumers appear to be more vulnerable when purchasing products and services online, than they do when purchasing in person. Fewer are aware of their rights when shopping online, and problems are increasingly resulting from online purchases.**

The majority of consumers (88%) have purchased a product or service online in the last six months. However, self-reported knowledge of consumer rights when shopping online is much lower than for consumer rights in general (28% say that they know at least a moderate amount about their online rights, compared to 45% knowing at least a moderate amount about their consumer rights in general). Consumers who report lower levels of knowledge than average include those who feel they know less about their consumer rights in general, those who shop online less often, or whose highest education is secondary school.

Online purchases appear to be an increasing problem area for consumers – purchases that resulted in a problem are almost twice as likely to have been purchased online in 2020 compared to 2016 (29% compared to 16%).

### **Consumers are generally trusting and confident of businesses and laws protecting their rights, however they are increasingly sceptical of the information provided to them by salespeople.**

Consumers have strong levels of trust and confidence when purchasing products and services. Most have confidence that New Zealand has adequate laws in place to protect their rights, and that you can generally trust businesses to not try and mislead you. However, that trust does not extend to salespeople. For the first time, trust in the information given by salespeople is below 50% - and it has

been declining steadily. These declines in trust are evident across all demographic groups, however consumers who report having a higher level of knowledge about their rights are less likely to trust the information from salespeople.

**Consumers are more proactive, and they are doing more research before making a purchase.**

In 2020, consumers are increasingly doing their research and seeking consumer information and advice. Around two-thirds of consumers now look for endorsements such as star ratings or for extra information like online reviews (take-up of both actions has increased since 2018), and 30% of consumers indicated that they had used at least one organisations to seek consumer information and advice in the past two years, up from 23% in 2018. In addition, 29% of consumers who experienced a problem-purchase, say that they did ‘a lot’ of research prior to making their purchase, compared to 22% in 2018. The amount of research conducted is related to the value of the purchase – the greater the value, the more research conducted.

**Half of consumers experienced a problem with something they purchased in the past two years, and the likelihood they encounter a problem when buying is increasing.**

Forty-nine percent of consumers experienced a problem with a purchase they made in the past two years (down from 56% in 2018). The reason for this decline is because consumers are less likely to have bought a product or service in the first place.

As in 2018, home-based telecommunications services had the highest problem incidence rate, although this has declined from 2018 (27% compared to 31%). However, the problem incidence rate for multiple categories has increased, including for travel / holiday services, real estate or property management services, and motor vehicles (through both private sellers and car dealers). Consumers are also more likely to experience multiple problems (23% experienced problems in at least three categories compared to 17% in 2018).

The most common types of problems experienced include the product or service not working as expected (29%), poor customer service (27%), or the product or service being faulty / damaged (24%). Problems are typically having a milder impact on consumers in 2020 compared to 2018. Forty percent said their problem had a ‘moderate’ or ‘severe’ impact on their day-to-day lives, compared to 47% in 2018. Younger consumers in particular appear to be more vulnerable – they are more likely than average to experience a greater number of issues, and they are also less knowledgeable about their rights as consumers.

**Almost three-quarters of consumers took action to solve their most recent problem – and this has been trending upwards since 2016.**

Seventy-three percent of consumers who experienced a problem in the past two years said they took action to try and resolve their most recent issue. While not a significant increase from 2018, this has been trending upwards since 2016 (72% took action in 2018, and 68% in 2016). The most common step consumers took was to contact the business directly, and for most, this was the first thing they did.

Two-thirds (66%) of consumers who took action say that their problem has been resolved. This includes 41% who had their problem resolved to their satisfaction, and 25% who were not satisfied with the resolution. Eighteen percent of problems are still in the process of being resolved.

**COVID-19 and the resulting lockdowns had an impact on consumer problems, including travel and holiday services, where the problem rate increased notably from 2018.**

One-quarter (26%) say that their problem was either caused, or made worse, by COVID-19 and / or the lockdowns. Perhaps unsurprisingly, COVID-19 / the lockdowns are more likely to have had an impact on problems with travel / holiday services.

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# New Zealand Consumer Survey 2020

The Consumer Protection team (Consumer Protection), part of the Ministry of Business, Innovation, and Employment (MBIE), provides products, tools and programmes to help inform New Zealanders about their consumer rights, how to make smart purchasing decisions, and how to confidently deal with problems if they arise. Their goal is to support a fair, thriving market where consumers and businesses are well informed and are transacting with confidence.

In 2016 Consumer Protection commissioned a national survey of consumers to find out what New Zealanders know about their rights and their experiences of dealing with problems. The survey was updated and repeated in 2018, and again in 2020. In this report, the 2020 survey findings are compared back to the earlier surveys where possible to identify trends. The findings of this research contribute to work prioritisation and the ongoing assessment of the consumer regulatory system<sup>1</sup>.

## **MBIE worked alongside Colmar Brunton to update some aspects of the questionnaire.**

Colmar Brunton was commissioned to conduct the New Zealand Consumer Survey in collaboration with members of the Consumer Protection team and other stakeholders. The questionnaire was largely kept consistent with 2018, but some changes were made to better understand the impact of COVID-19 (and the resulting lockdowns) on consumer behaviour. See Appendix A for the survey questionnaire. More substantive changes were made between the 2016 and 2018 surveys to reduce length and to sharpen the focus of the survey. As such, not all findings in this report are comparable to the previous surveys. Trends are only presented where they are deemed to be directly comparable.

Please note that occasionally the percentages in the charts do not add up to the nett percentages presented within the report. This is because each percentage in the charts has been rounded to a whole number. When calculating the nett percentages, only the final result has been rounded to a whole number. This reduces the influence of rounding error in the final result.

## **A nationally representative survey of New Zealand consumers was conducted in late 2020.**

Colmar Brunton employed a sequential mixed-method approach, with both online and postal surveys. The Electoral Roll was used to identify a nationally representative sample of consumers aged 18 plus.

In 2020, following a review of the literature on sequential mixed-method, the decision was made to use a 'push-to-web' approach. This means that respondents are encouraged to complete the survey online, but with a paper copy made available in the third and final contact. This is in contrast to the previous two surveys where a paper copy was made available in the first contact.

In 2020, a total of 1,734 consumers responded to the survey and the overall response rate was 17%, compared to 19% in 2018 and 23% in 2020. However, the push to web appears to have resulted in a more balanced sample by age-group with better representation of younger consumers and so less need for weighting to achieve a nationally representative sample of the New Zealand population.

All reported sub-group differences are significant at the 95% confidence level. A detailed explanation of the methodology is provided in Appendix B, and a sample profile in Appendix C.

## **Limitations include reliance on self-reported behaviour.**

The survey investigates broad awareness of consumer rights under relevant legislation and relies both on self-reported and assessed levels of understanding. When investigating consumer problems, respondents are asked to recall events and actions from the past two years in order to assess the frequency of problems and their resolution. Furthermore, there is no way to be certain whether a problem is caused by a breach of consumer legislation or not. Missing data has been excluded from all analysis, a further limitation of the use of postal surveys which rely on self-completion. However, this is less of an issue in 2020 than previously due to the 'push-to-web' approach.

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<sup>1</sup> The consumer regulatory system comprises the range of legislation (such as the Consumer Guarantees Act, 1993) and the organisations (such as the Commerce Commission) that play key roles in six areas: system strategy and policy; operational policy and standard setting; service delivery, including advice, education and information; dispute resolution; compliance and enforcement; and monitoring and evaluation.

# 1

Awareness and  
knowledge of  
consumer rights  
and laws

# 1. Awareness and knowledge of consumer rights and laws

The New Zealand Consumer Survey investigates awareness and understanding of the following laws that protect consumers when purchasing products and services in New Zealand:

- The Fair Trading Act 1986 (FTA) sets rules for the conduct of businesses and provision of accurate information about products and services, and protects consumers from unsafe products.
- The Consumer Guarantees Act 1993 (CGA) sets minimum standards for goods and services, and provides remedies for consumers – such as repairs, replacements or refunds – when these standards are not met.
- The Credit Contracts and Consumer Finance Act 2003 (CCCFA) sets out the responsibilities of lenders in order to protect consumers when they borrow money or enter into a credit agreement.

## **Awareness that consumer rights and laws exist remains widespread, but self-reported knowledge remains lower than in 2016.**

The vast majority of consumers (94%) are aware that New Zealand laws exist to protect basic consumer rights when purchasing products and services (see Figure 1). This level of awareness is consistent with both 2018 and 2016, when 94% and 96% of consumers were aware, respectively.

Awareness is higher than average among those living in high income households; 99% of consumers who have a household income over \$150,000 are aware.

The following groups are less likely than the average (94%) to be aware of the laws:

- those currently studying (88%)
- those aged 18 – 36 years (91%)
- those not in paid employment (91%)
- women (92%).

While awareness that consumer rights and laws exist is high, less than half of consumers (45%) feel they know at least a moderate amount about them (see Figure 1). This is consistent with 2018 (46%) but remains lower than 2016 (when 51% said they know at least a moderate amount). Conversely, just over half (54%) feel they know little or nothing about their rights as a consumer. Again, this is consistent with 2018, but higher than in 2016 (49%).

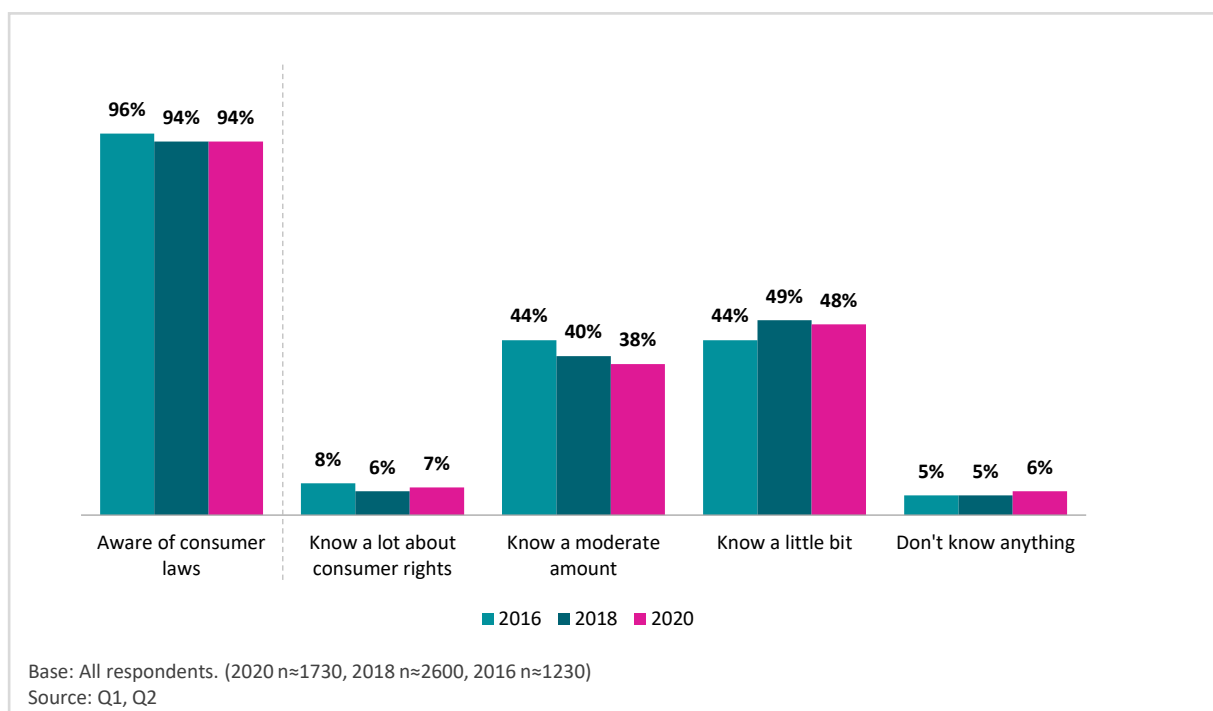
The following groups are more likely than average (54%) to report knowing nothing or a little bit about their consumer rights:

- those whose main occupation is looking after family (71%)
- those who do not speak English as their main language (70%)
- Asian New Zealanders (64%)
- those aged 18 – 36 years (62%)
- those with an annual household income of \$50,001 to \$75,000 (61%)
- women (57%).

The following groups are more likely than average (45%) to report knowing a moderate amount or a lot about their consumer rights:

- those with an annual household income of more than \$150,000 (61%)
- those aged 67 and above (53%)
- New Zealand Europeans (50%).

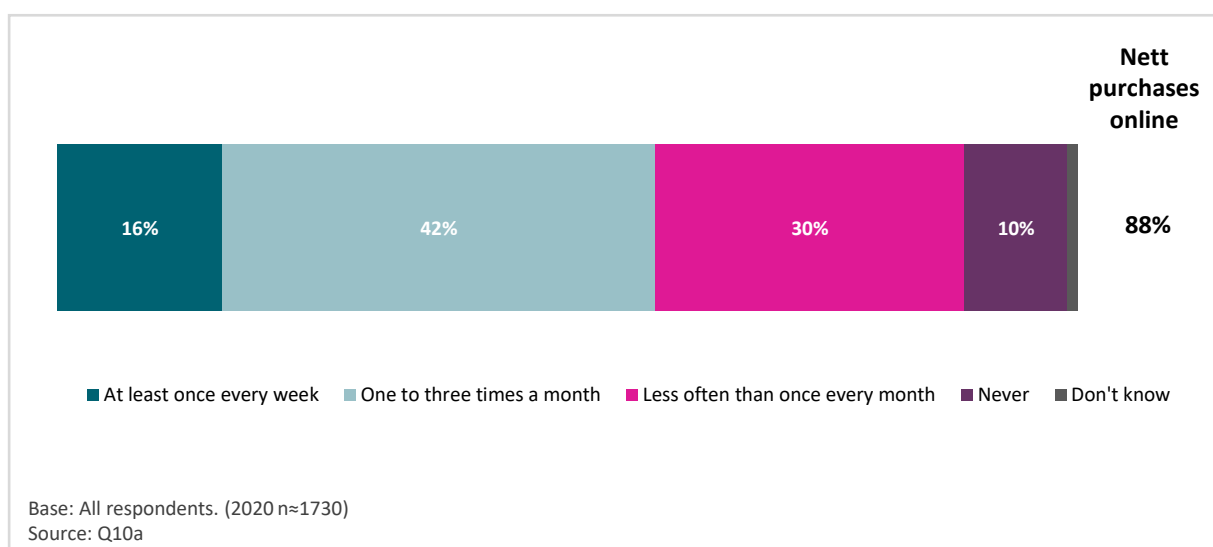
**Figure 1: Self-reported awareness and knowledge of consumer rights and laws**



**Most consumers have purchased something online in the last six months. However, knowledge of consumer rights when shopping online is lower than self-reported knowledge of consumer rights in general.**

Consumers were asked how often, if at all, they had bought a product or service online in the last six months. Almost nine in ten (88%) indicated that they have purchased at least something online (see Figure 2), and over half (57%) do so on a monthly basis.

**Figure 2: Frequency of purchasing products and services online in the last six months**



Despite most consumers having purchased something online before, they are uncertain around their rights when shopping online. Only 28% of online shoppers say that they know at least a moderate amount about their rights as a consumer when shopping online (see Figure 3). This compares to 45% knowing at least a moderate amount about their consumer rights in general.

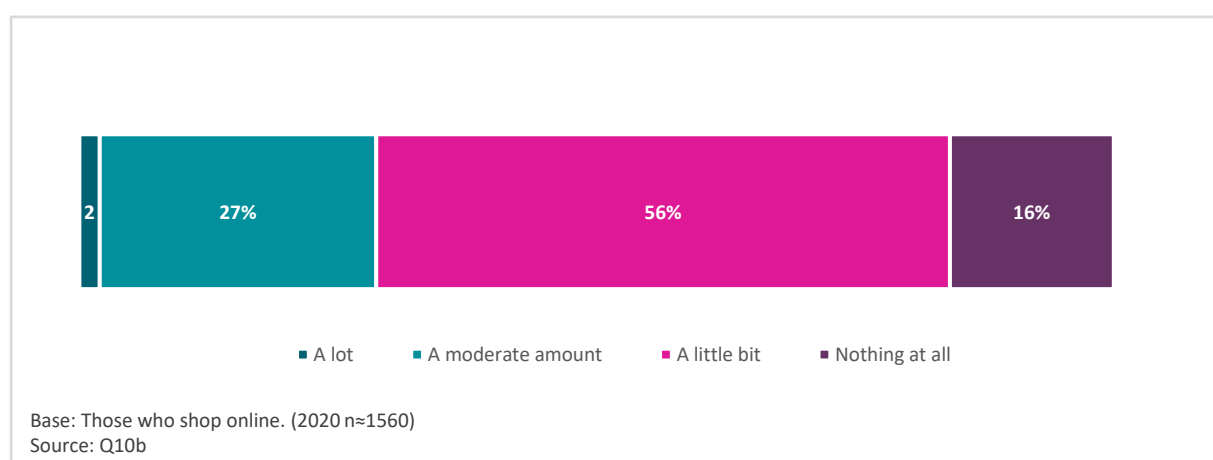
The following groups are more likely than average (72%) to report knowing nothing, or a little bit, about their consumer rights when shopping online:

- those who say they know little or nothing about their consumer rights in general (89%)
- those who purchase something online less than once a month (78%)
- those whose highest education level is secondary school (76%).

The following groups are more likely than average (28%) to report knowing a moderate amount or a lot about their consumer rights when shopping online:

- those who say they know at least a moderate amount about their consumer rights in general (48%)
- those who purchase something online at least once a week (43%)
- those aged 67 and above (36%)
- those with a degree or higher (32%).

**Figure 3: Self-reported knowledge of consumer rights when shopping online**



## Consumers continue to report higher awareness of the CGA and FTA compared to the CCCFA. However, understanding of each of these laws remains low.

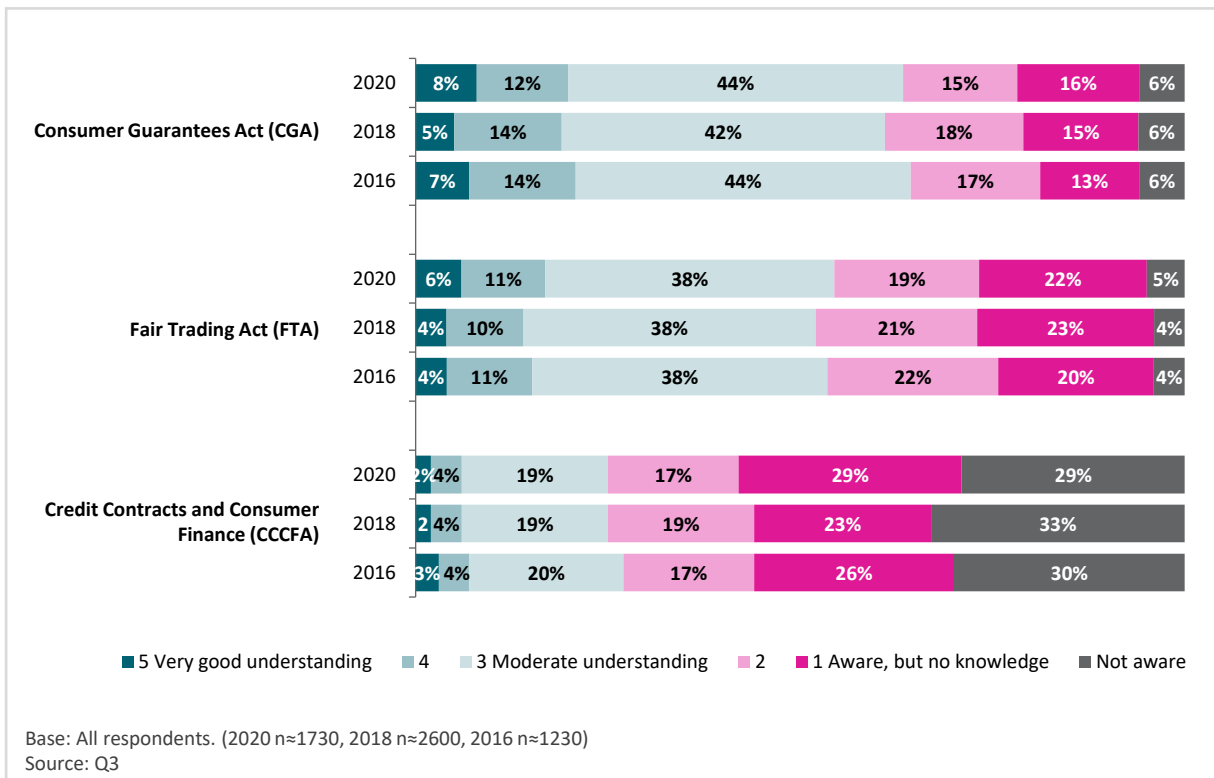
When asked about specific consumer laws, consumers continue to be most aware of the CGA and FTA (94% and 95% are aware respectively, see Figure 4). This is consistent with 2018, when 94% of consumers were aware of the CGA and 96% were aware of the FTA, and also with 2016, when 95% were aware of the CGA and 96% aware of the FTA.

Awareness of the CCCFA continues to be lower, although it has increased since 2018. Seventy-one percent are aware of the CCCFA, up from 67% in 2018, but in line with 2016 (70%).

However, knowledge of each of these laws is low (see Figure 4). Consumers rated their knowledge of each act on a scale of 1 to 5, where '1' means 'I have heard of this law, but I don't know what it means', '3' means 'I have a moderate understanding of this law', and '5' means 'I have a very good understanding of this law. Consumers could also select 'I have never heard of this law before' if they were unaware. The following proportions of consumers rated their knowledge of each act '4' or '5', indicating they have a good understanding:

- 20% for the CGA (in line with 19% in 2018 and 21% in 2016)
- 17% for the FTA (in line with 14% in 2018 and 15% in 2016)
- 6% for the CCCFA (in line with 6% in 2018 and 7% in 2016).

**Figure 4: Self-reported awareness and understanding of consumer laws**



The following groups are more likely than average (30%) to have little understanding (rating ‘1’ or ‘2’ out of 5) of the CGA:

- those whose main occupation is looking after family (48%)
- those aged 27 – 36 years (36%).

The following groups are more likely than average (41%) to have little understanding (rating ‘1’ or ‘2’ out of 5) of the FTA:

- those aged 27 – 36 years (49%).

The following groups are more likely than average (45%) to have little understanding (rating ‘1’ or ‘2’ out of 5) of the CCCFA:

- those currently studying (60%).

## **Consumers' practical knowledge of their rights remains good in some situations, but not others**

Consumers were presented with ten scenarios they might face when purchasing products or services and were asked to identify whether each scenario was true or false, according to their consumer rights. These questions were designed to assess practical knowledge, in contrast to the questions asking about perceived understanding of the rights set out by consumer legislation (see all results in Figure 5).

### **Knowledge of the CGA is mixed, with some scenarios largely being answered correctly, while others are answered incorrectly by most consumers**

The obligation of sellers to refund, repair, or replace faulty on-sale items is well-known amongst consumers. However, fewer correctly say that this is true than did so in 2018. There is also a decline in consumers who are aware that if they purchase something second-hand, they do not have the same rights had they purchased from a store. Consumers are also more likely to incorrectly answer some of the CGA scenarios (compared to the other scenarios), rather than saying 'don't know'. This indicates that consumers may be making some false assumptions.

### **Knowledge of the FTA is high**

Around two-thirds of consumers answered the FTA scenarios correctly. Additionally, a greater proportion correctly noted that if a mechanic does some work without asking you first, you are not obligated to pay for it than did so in 2018. As in 2018, consumers are more likely to state that they 'don't know', rather than answer incorrectly.

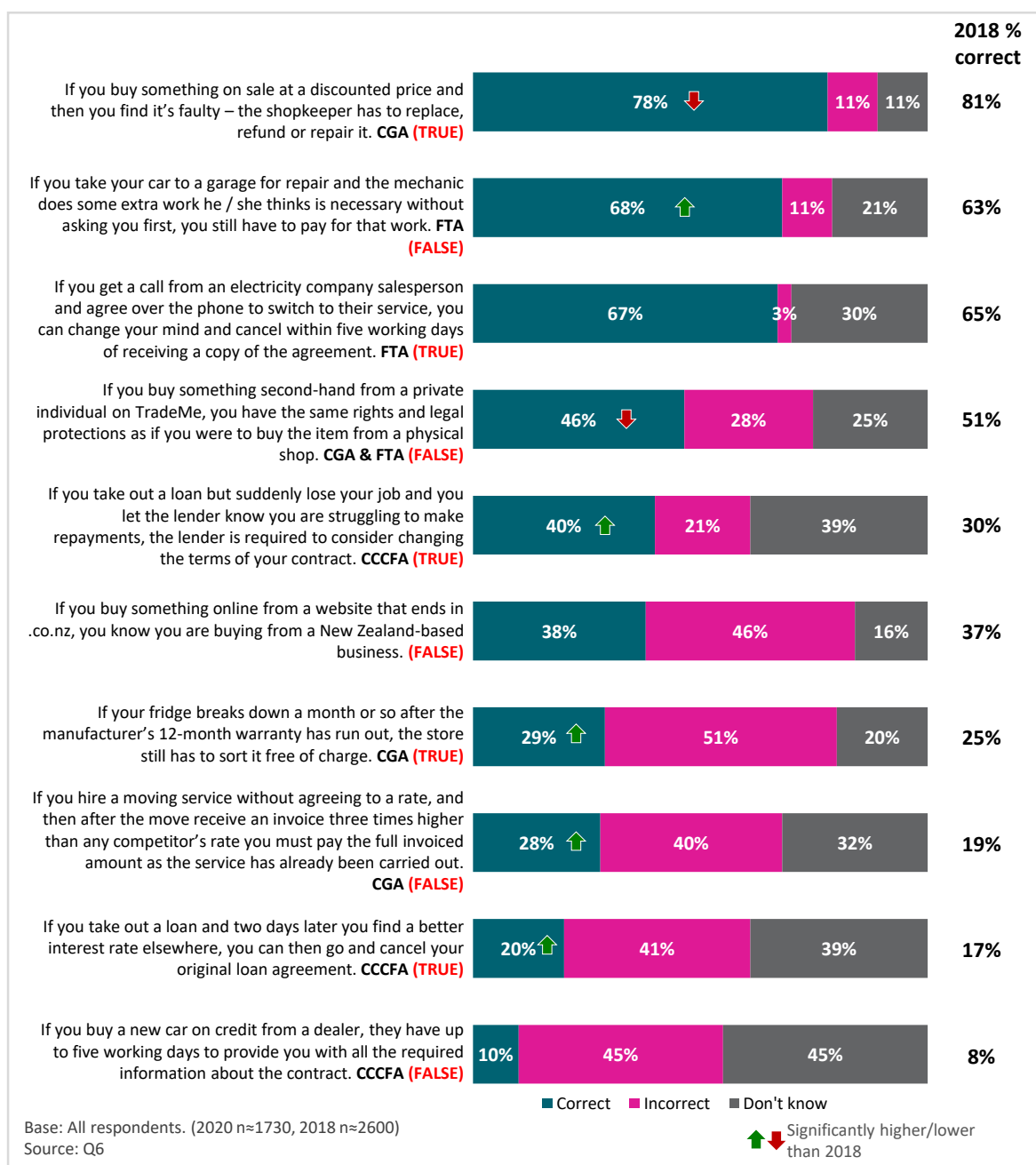
### **Knowledge of the CCCFA remains low, although there are improvements**

Consumers continue to have low practical knowledge of the applications of the CCCFA, with high proportions admitting that they don't know the correct answer. The proportion who answered each of the CCCFA scenarios correctly ranged from 10% to 40%. On a more positive note, there was an increase in the proportion who correctly identified that a lender is required to consider changing the terms of a contract if you take out a loan and suddenly lose your job, or that you can cancel a loan if you find a better interest rate elsewhere within two days.

### **Consumers continue to falsely believe that the domain '.co.nz' can only be used by New Zealand-based businesses**

In line with 2018, 46% of consumers believe that only New Zealand-based sellers can use a '.co.nz' domain. They are more likely to hold this incorrect belief than they are to know this is not the case. Sixteen percent of consumers admit they don't know the correct answer.

**Figure 5: Responses to consumer scenarios**





### Consumer knowledge of their rights has improved since 2018

One quarter of consumers (26%) answer at least six of the scenarios correctly (see Figure 6). This has increased from 2018 (19%). At the opposite end, 19% have a low level of knowledge, answering two or fewer scenarios correctly (compared to 23% in 2018).

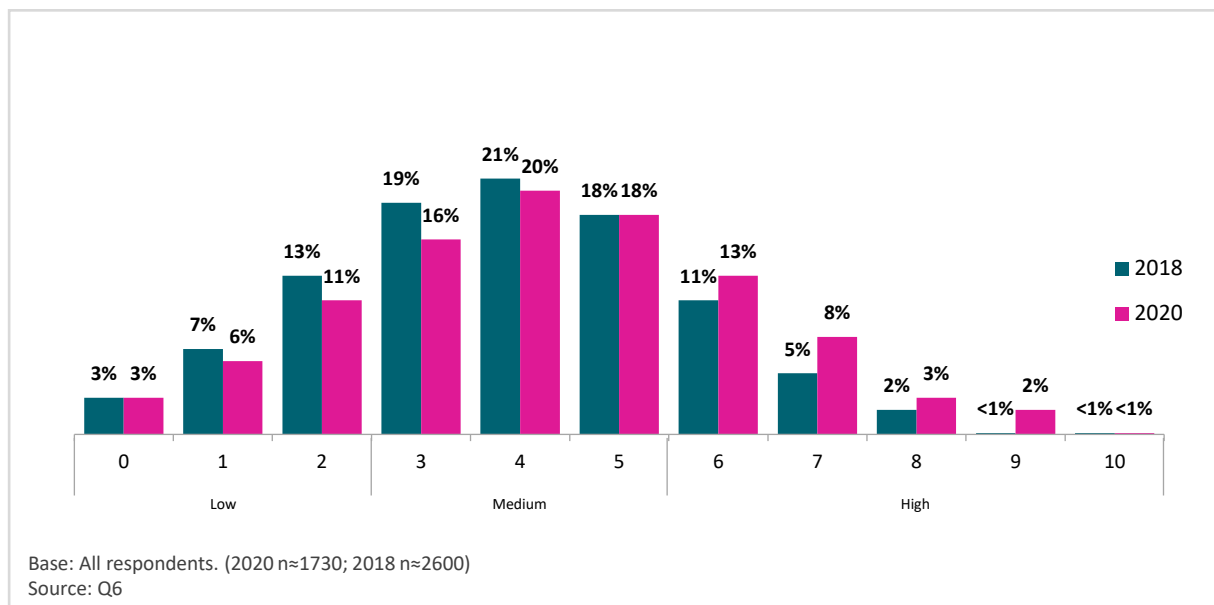
The following groups are more likely than the average (19%) to have a low score (answering two or fewer scenarios correctly):

- those currently studying (30%)
- those aged 18 – 26 years (28%)
- women (24%)
- those whose highest education is secondary school (24%).

The following groups are more likely than the average (26%) to have a high score (answering six or more scenarios correctly):

- those with an annual household income over \$100,000 (36%)
- men (32%)
- those in paid employment (31%)
- those with a degree or higher (31%).

**Figure 6: Number of scenarios answered correctly**



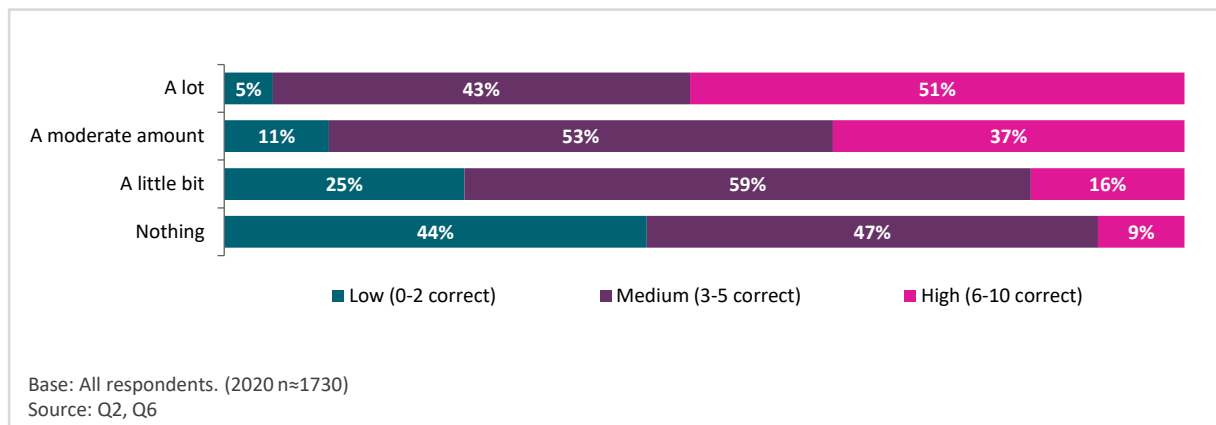
## Self-reported knowledge of consumer rights and laws is a relatively good proxy for actual knowledge

Those who say they know ‘a lot’ about consumer rights and laws are most likely to score highly across the ten scenarios (51% answer six or more of the ten scenarios correctly), whereas those who say they know nothing are least likely (just 9% answer six or more correctly, see Figure 7). However, this group’s knowledge has increased – only 3% of those who say they know nothing answered six or more correctly in 2018.

However, many consumers who think they know a lot about their rights, answer up to five of the ten scenarios incorrectly (or admit they don’t know). Forty-three percent of those who say they know ‘a lot’, have only a medium level of tested knowledge, and 5% have a low level of tested knowledge (albeit this has declined from 14% in 2018).

Conversely, almost half (47%) of those who say they know ‘nothing’ actually have a medium level of knowledge (answer three to five scenarios correctly), and as mentioned there has been an increase in high knowledge for this group. That being said, it is possible they have guessed correct answers at some scenarios.

**Figure 7: Self-reported knowledge of consumer rights and laws versus tested knowledge**



# 2

Awareness, usage,  
and perceptions of  
consumer support  
and dispute  
resolution services

## 2. Awareness, usage, and perceptions of consumer support and dispute resolution services

Consumers were asked about five organisations that provide information on consumer rights and laws. They were asked whether they are aware of each organisation, and whether they had used each organisation's services in the past two years.

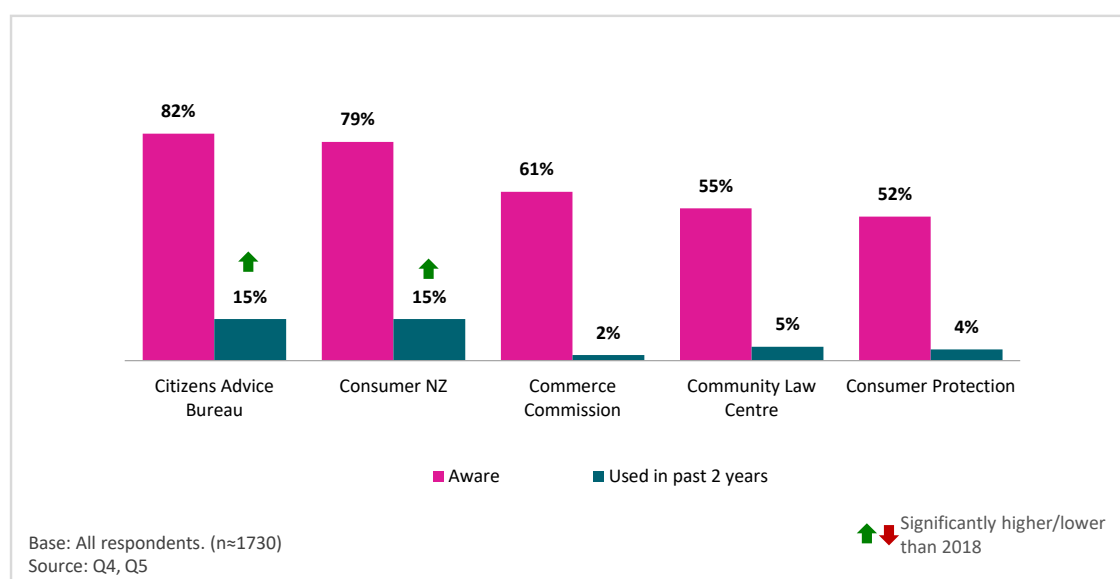
### Consumers' awareness of agencies that provide information on consumer rights and laws remains relatively high, and there is increasing use of these services

Consumers are most likely to be aware of the Citizens Advice Bureau (CAB) and Consumer NZ (82% and 79% are aware respectively, see Figure 8). Just over half (52%) of consumers have heard of Consumer Protection. These figures are all in line with 2018.

Nearly all consumers (95%) are aware of at least one of the agencies, whilst 71% are aware of three or more. This compares to 93% and 69% respectively in 2018.

Usage of these services is less widespread, but has increased since 2018. Thirty percent of consumers approached at least one of the services in 2020 (compared to 23% in 2018). Fifteen percent of consumers had either sought information or advice from the CAB or Consumer NZ (both increases from 11% in 2018), whilst 5% or less had approached, a Community Law Centre (CLC), Consumer Protection, or the Commerce Commission. This is in line with 2018.

**Figure 8: Awareness and usage of organisations that provide consumer support and advice**



The following groups are generally less likely than average to be aware of consumer service agencies:

- those aged 18 – 26 years (e.g. 56% aware of CAB compared with 82% of all consumers; 69% aware of Consumer NZ compared with 79%; 42% aware of Commerce Commission compared with 61%; 34% aware of Community Law Centres compared with 55%)
- Asian New Zealanders (e.g. 52% aware of Commerce Commission compared with 61%; 69% aware of Consumer NZ compared with 79%; 67% aware of CAB compared with 82%)
- those currently studying (e.g. 49% aware of Commerce Commission compared with 61%; 39% aware of Community Law Centres compared with 55%)
- those who do not speak English as their main language (e.g. 68% aware of CAB compared with 82%; 40% aware of Community Law Centres compared with 55%)

- those with lower knowledge of their consumer rights (e.g. 38% aware of Consumer Protection compared with 52%; 68% aware of Consumer NZ compared with 79%; 72% aware of CAB compared with 82%).

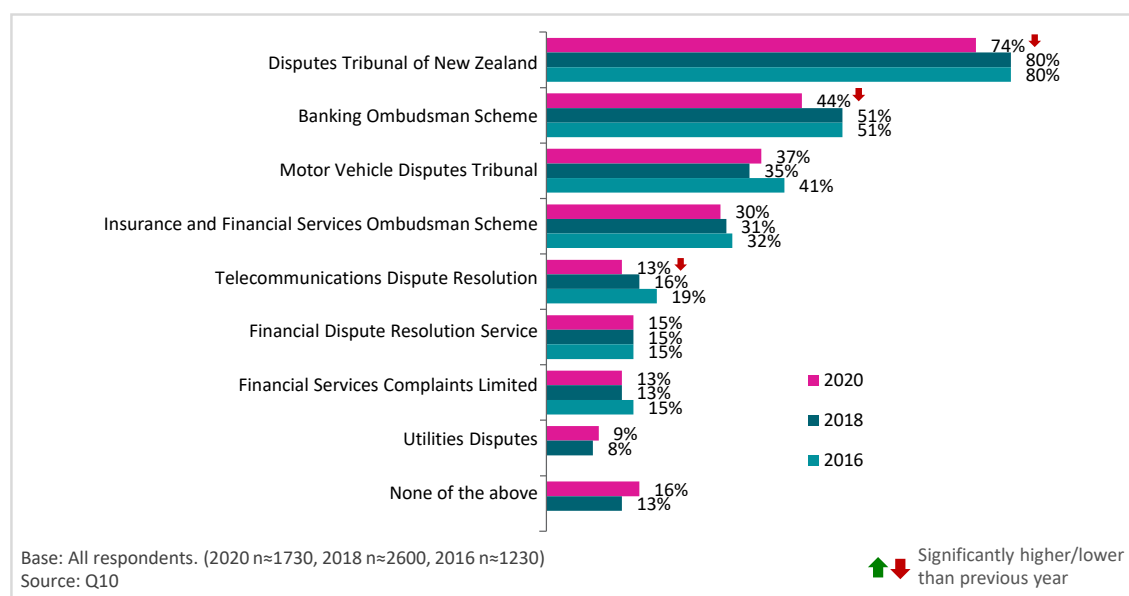
## Awareness of dispute resolution services has declined since 2018. However, most consumers remain aware of the Disputes Tribunal of New Zealand

Consumers have access to over 50 dispute resolution services<sup>2</sup> in New Zealand. Consumers were asked about their awareness of eight organisations that can help them to resolve disputes with businesses (see Figure 9).<sup>3</sup>

Awareness of the various dispute resolution services has declined since 2018. In 2020, 84% of consumers say they are aware of at least one agency, and 39% are aware of three or more. This compares to 87% and 42% respectively in 2018.

Three quarters are aware of the Disputes Tribunal of New Zealand (74%), and 44% are aware of the Banking Ombudsman Scheme. These levels of awareness are lower than in 2018 and 2016. Awareness of all other listed dispute services is less than 40%, and 16% of consumers reported not being aware of any<sup>4</sup>. There is also a decline in awareness of Telecommunications Dispute Resolution.

**Figure 9: Awareness of dispute resolution services**



The following groups are more likely than average (40%) to have low awareness of dispute resolution services (0 or 1):

- those currently studying (70%)
- Asian New Zealanders (63%)
- those aged 18 – 36 years (60%)
- Pacific consumers (56%)
- those who do not speak English as their main language (54%).

<sup>2</sup> See the Consumer Protection website for more information on resolving problems <https://www.consumerprotection.govt.nz/report-or-resolve-a-problem/>

<sup>3</sup> The eight dispute resolution services selected deal with some of the more common consumer complaints.

<sup>4</sup> The Electricity and Gas Complaints Commissioner Scheme was renamed to “Utilities Disputes” in late 2016. The figure for “None of the above” is therefore not directly comparable to 2016.

## A lack of knowledge continues to be the main barrier to use of dispute resolution services

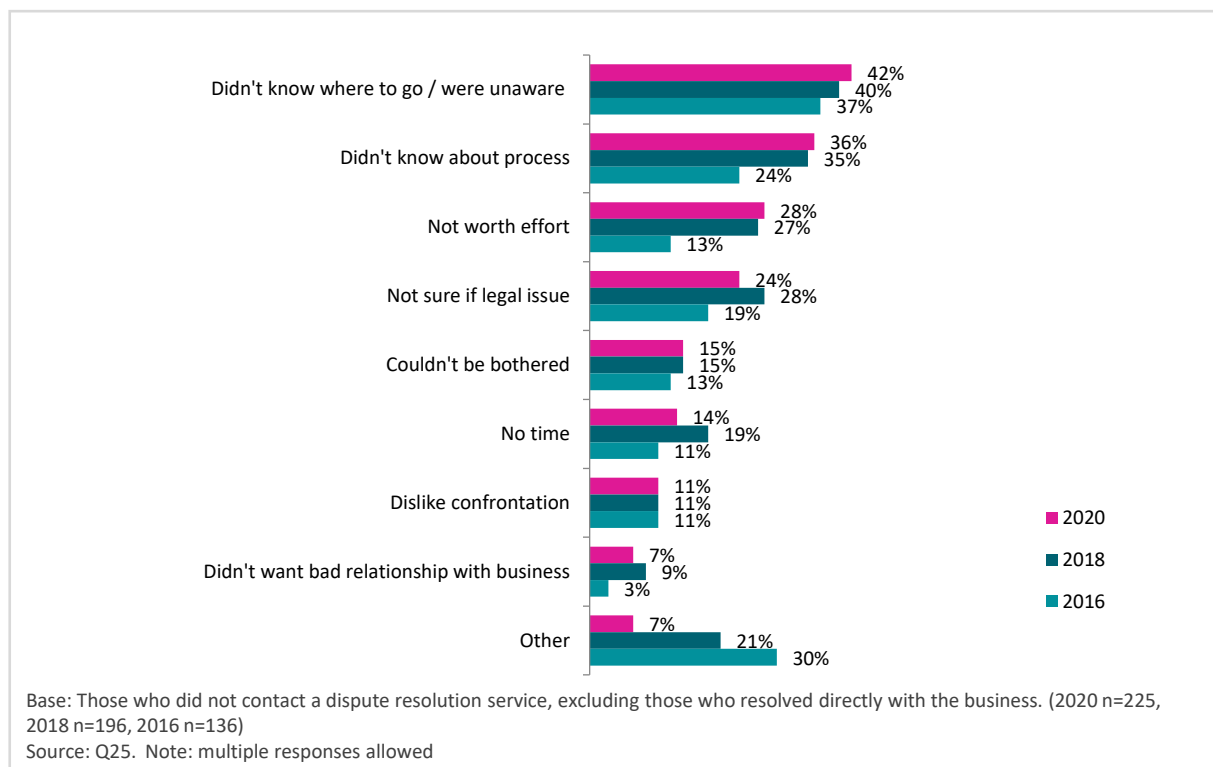
In reference to problems consumers experienced recently (see Sections 5 and 6), we asked consumers who took action to try and resolve their most recent problem whether they had contacted a dispute resolution service at any point during the process. We also asked those consumers who did not resolve their problem directly with the business and did not contact a dispute resolution service why they did not contact a dispute resolution service.

Of consumers who took action to resolve their problem, 12% said they went to a dispute resolution service at some point during the process, and 4% said their problem was resolved through one. This compares to 5% that said they went to a dispute resolution service at some point in 2018, and 1% that resolved their problem through one.

Although the majority of consumers say they are aware of dispute resolution services (see Figure 9), consumers with problems who didn't contact a dispute resolution service report that a lack of knowledge and awareness is the main barrier (see Figure 10):

- 42% said they didn't know where to go or were unaware of a dispute resolution service that would handle their problem.
- 36% said they didn't know enough about the process.
- 24% said they felt there was a problem but didn't know whether the business had done anything illegal.

**Figure 10: Reasons consumers did not use dispute resolution services**



## More consumers feel that there is adequate access to services to resolve disputes than in 2018

Forty-eight per cent of consumers agree that there is adequate access to services that help resolve disputes between consumers and businesses. This represents a recovery from the dip in perceived accessibility in 2018 (see Figure 11).

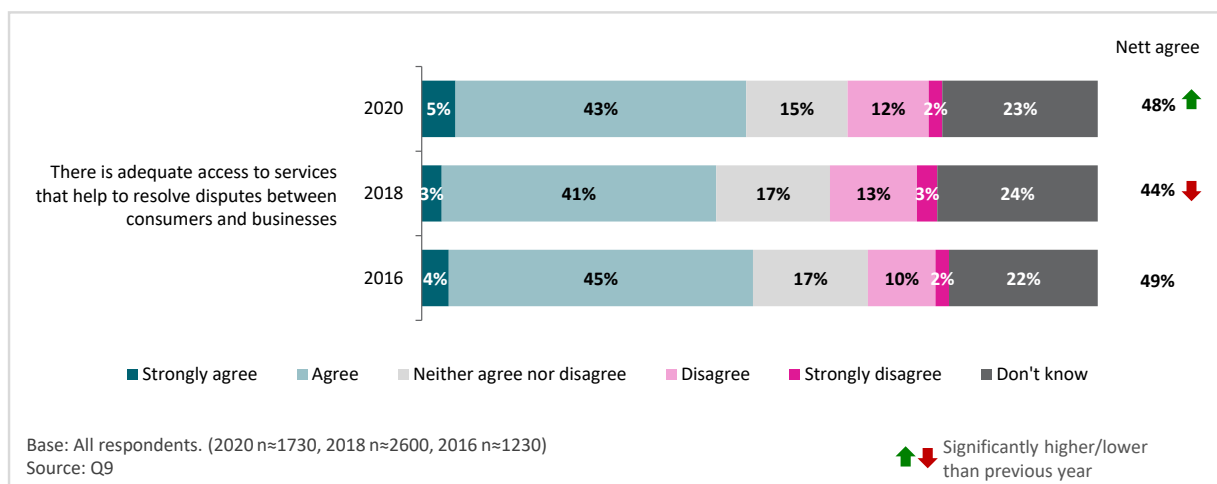
Those more likely than average (48%) to agree that access is adequate include:

- those with a certificate or diploma (55%)
- men (52%).

Those less likely than average (48%) to agree that access is adequate include:

- those with an annual household income between \$50,001 and \$70,000 (40%)
- women (43%).

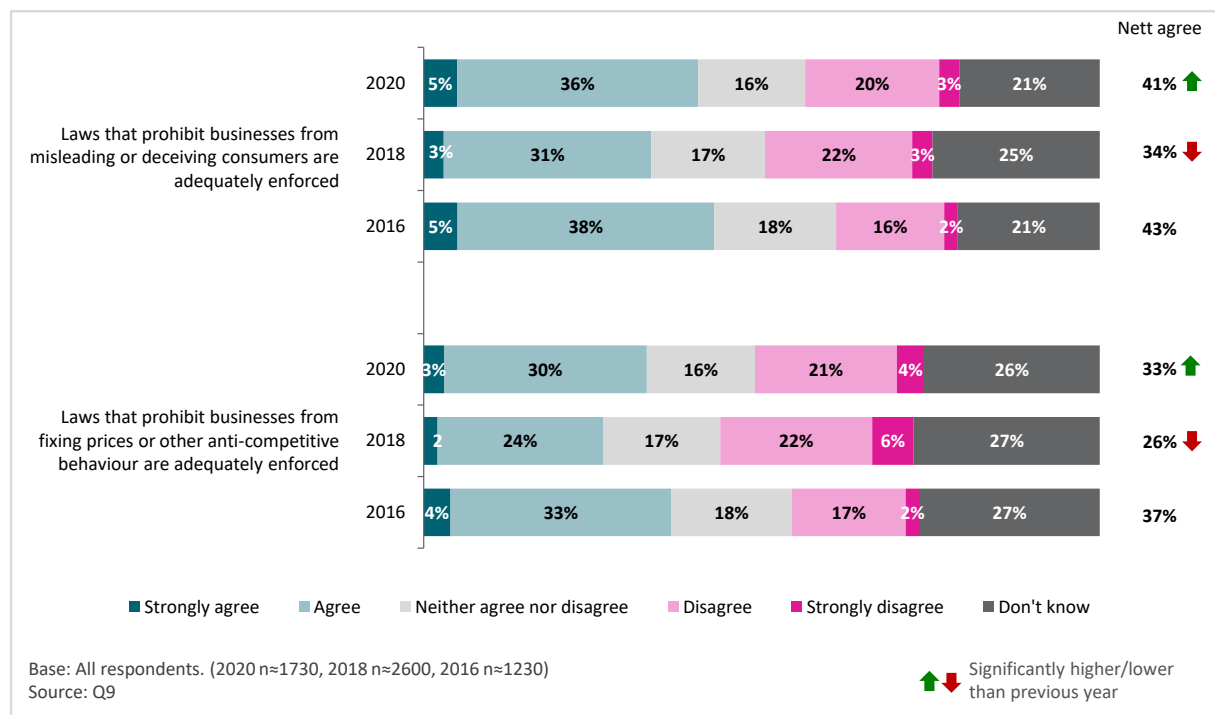
**Figure 11: Agreement there is adequate access to dispute services**



## Confidence that consumer protection laws are adequately enforced has largely recovered since 2018

Consumers' confidence in the enforcement of consumer laws has largely recovered following the decline seen in 2018 (see Figure 12). The proportion who agree that the laws that prohibit businesses from misleading or deceiving them are adequately enforced has increased to almost 2016 levels (41%, compared to 43%). Additionally, more consumers feel that laws that prohibit businesses from price-fixing, or engaging in other anti-competitive behaviours, are adequately enforced (33%, up from 26%). Again, this is lower than in 2016 (37%).

**Figure 12: Agreement that consumer protection laws are adequately enforced**



Men are more likely than average to agree that the laws that prohibit businesses from misleading or deceiving consumers are adequately enforced (44% compared with 41%).

Those more likely than average (33%) to agree that the laws that prohibit anti-competitive behaviour are adequately enforced include:

- Pacific consumers (47%)
- those with an annual household income between \$25,001 and \$50,000 (40%)
- men (36%).

Those aged 67 years and over are more likely than average to disagree that the laws that prohibit businesses from misleading or deceiving consumers are adequately enforced (32% compared to 22%). They are also more likely than average to disagree that the laws that prohibit anti-competitive behaviour are adequately enforced (36% compared to 25%).



# 3

Trust and confidence  
when purchasing

### 3. Trust and confidence when purchasing

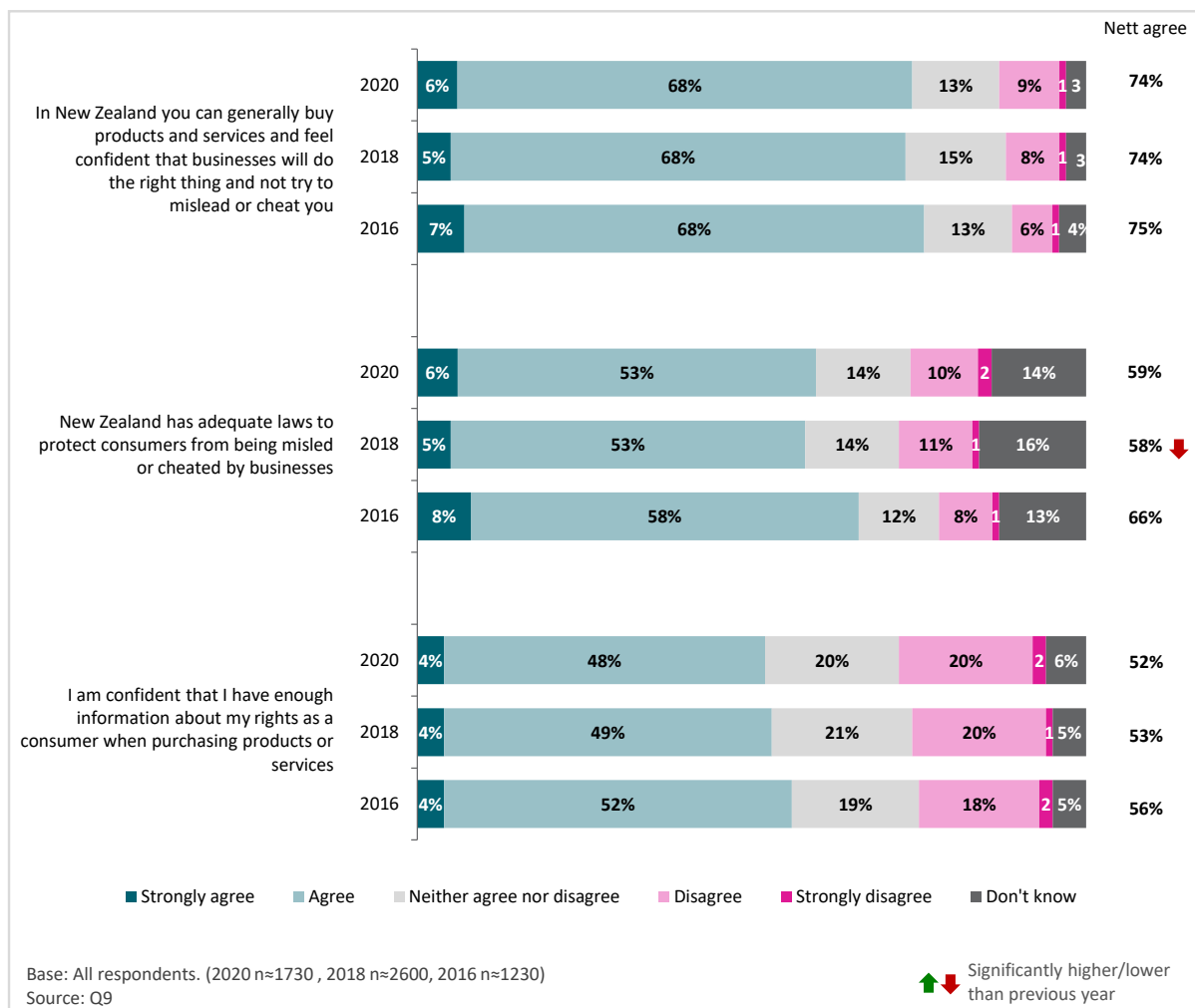
#### Consumers are generally trusting and confident when purchasing

In line with previous years, most consumers are generally trusting and confident when purchasing products and services (see Figure 13). Over half of consumers agree that:

- Businesses will do the right thing, and not try to mislead or cheat consumers (74% agree).
- New Zealand has adequate laws to protect consumers from being misled or cheated by businesses (59% agree).
- They have enough information about their rights relating to the purchase of products and services (52% agree).

All figures are in line with those found in 2018, although there is a gradual decline in consumer confidence that they have enough information about their rights as a consumer when purchasing products or services since 2016.

**Figure 13: Agreement with trust and confidence statements**

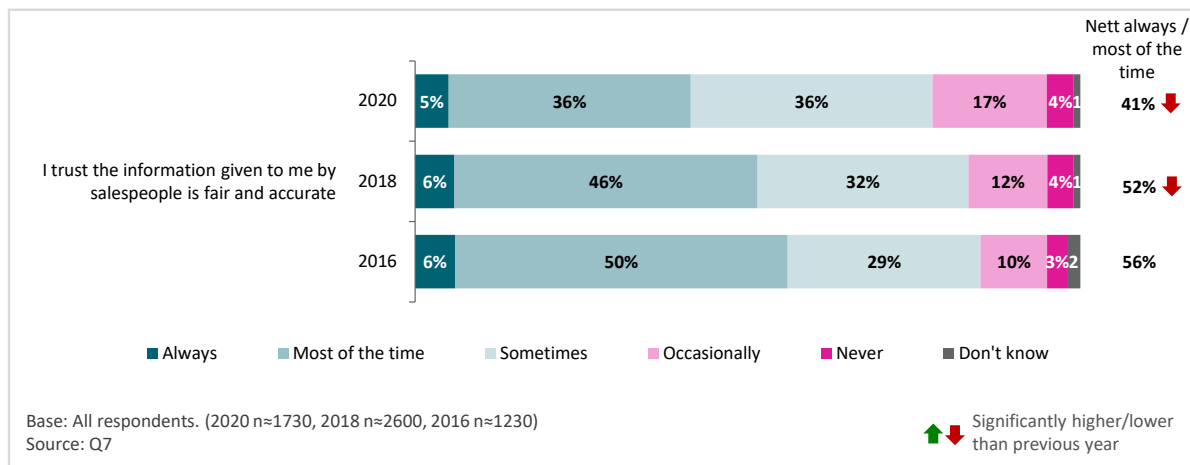


Consumers' perceptions vary according to their knowledge of their rights, and this divide has grown since 2018; 72% of those with a high level of tested knowledge agree adequate laws are in place compared to 42% among those with a low level of tested knowledge. This compares to 70% and 47% in 2018.

Consumers continue to be distrustful of the information salespeople provide, and for the first time since this research began, less than half of consumers trust that the information from salespeople is fair and accurate. Forty-one percent trust information given to them by salespeople is fair and accurate 'always' or 'most of the time', down from 52% in 2018, and 56% in 2016 (see Figure 14).

Those who report having a high-level of knowledge of their consumer rights are less likely than those with a low level of knowledge about their consumer rights to be trusting of salespeople (35% and 43% respectively trust the information 'always' or 'most of the time').

**Figure 14: Frequency of trusting information provided by salespeople**



The declines in trust of information from salespeople is evident across all demographic groups.

## Consumers are becoming more polarised in their trust and confidence

To better understand how trust and confidence affects other aspects of consumer behaviour, we have segmented consumers based on their responses to the previous four statements (see Figures 13 and 14) to provide a general measure of trust and confidence when purchasing.

We found that (see Figure 15):

- 20% of consumers have a high level of trust and confidence (generally agreeing with the statements, or trusting information provided by salespeople frequently).
- 47% of consumers have a medium level of trust and confidence (being trusting or confident in some aspects, but not others).
- 33% of consumers have a low level of trust and confidence (generally disagreeing with the statements, or infrequently trusting information provided by salespeople).

These segments are used to analyse other questions throughout the report. In 2020 there is a small shift towards both the low and high segments, away from medium, suggesting that consumers are becoming more polarised in their views.

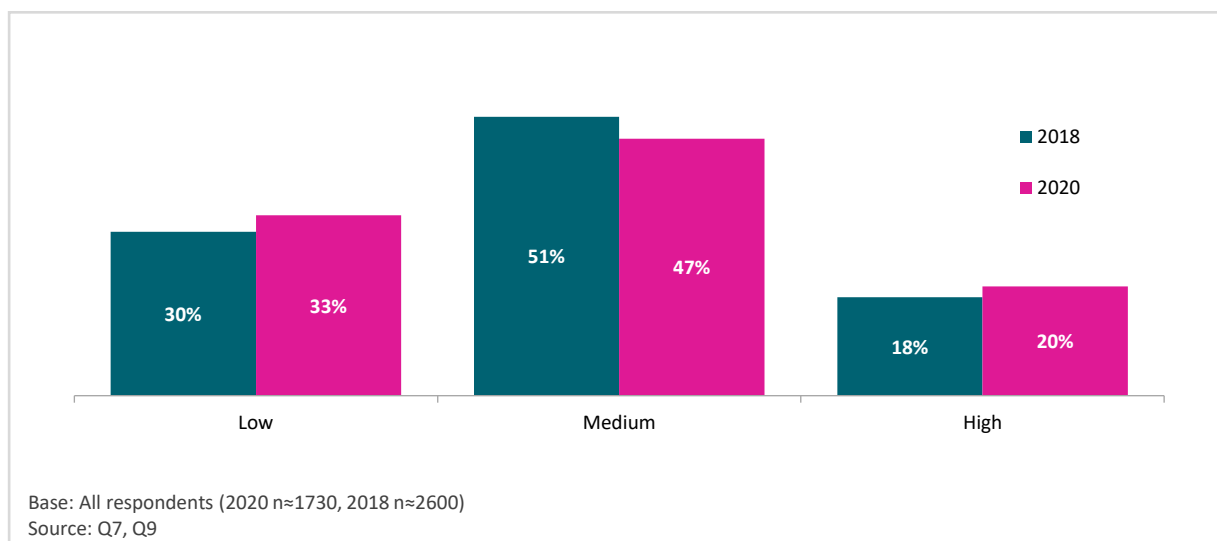
Groups more likely than average (20%) to have a high level of trust and confidence include:

- those in retirement (31%)
- those not in paid employment (28%)
- those with an annual household income between \$25,001 and \$50,000 (26%)
- those aged 67 years and over (26%).

Groups more likely than average (33%) to have a low level of trust and confidence include:

- those aged 18-26 years (40%).

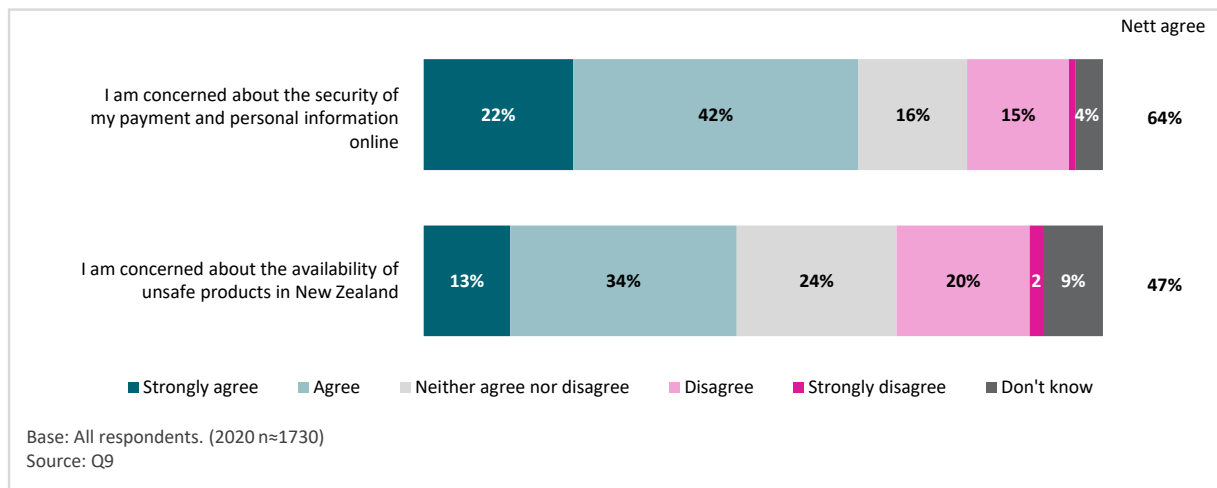
**Figure 15: Trust and confidence segments**



## Consumers are generally concerned about their information online and the safety of products

Many consumers have concerns around security and safety in regard to shopping in New Zealand. Six in ten (64%) are concerned about the security of their payment and personal information online, while just under half (47%) are concerned about the availability of unsafe products in New Zealand (see Figure 16).

**Figure 16: Agreement with safety and security statements**

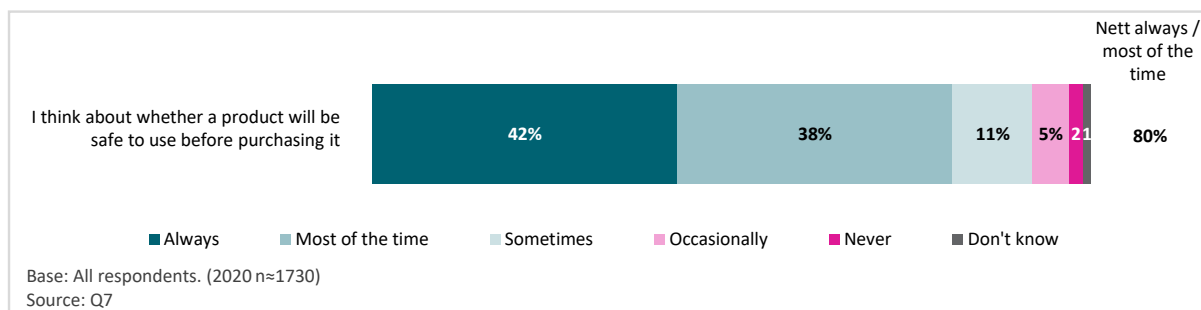


There is somewhat of an age divide when it comes to concerns around security and safety. Consumers aged 67 years and above are more likely than average to be concerned about the security of their information online (71% compared to 64%), and about the availability of unsafe products in New Zealand (64% compared to 47%). Meanwhile, consumers aged 18-26 years are less like than average to be concerned about the security of their information online (55% compared to 64%), and about the availability of unsafe products in New Zealand (33% compared to 47%).

Consumers who purchase online more frequently (at least once a week) are less likely than average to be concerned about the security of their information online (55% compared to 64%).

Product safety appears to be on the radar for most consumers. Eighty percent say they think about whether a product will be safe to use before purchasing it either 'always' or 'most of the time' (see Figure 17).

**Figure 17: Frequency of considering product safety before purchase**



Once again, older consumers are the most concerned with safety. Eighty-five percent of those aged 67 years and above think about whether a product will be safe to use before purchasing it either 'always' or 'most of the time', compared to 71% of those aged 18-26 years.

# 4

Preparing to  
purchase

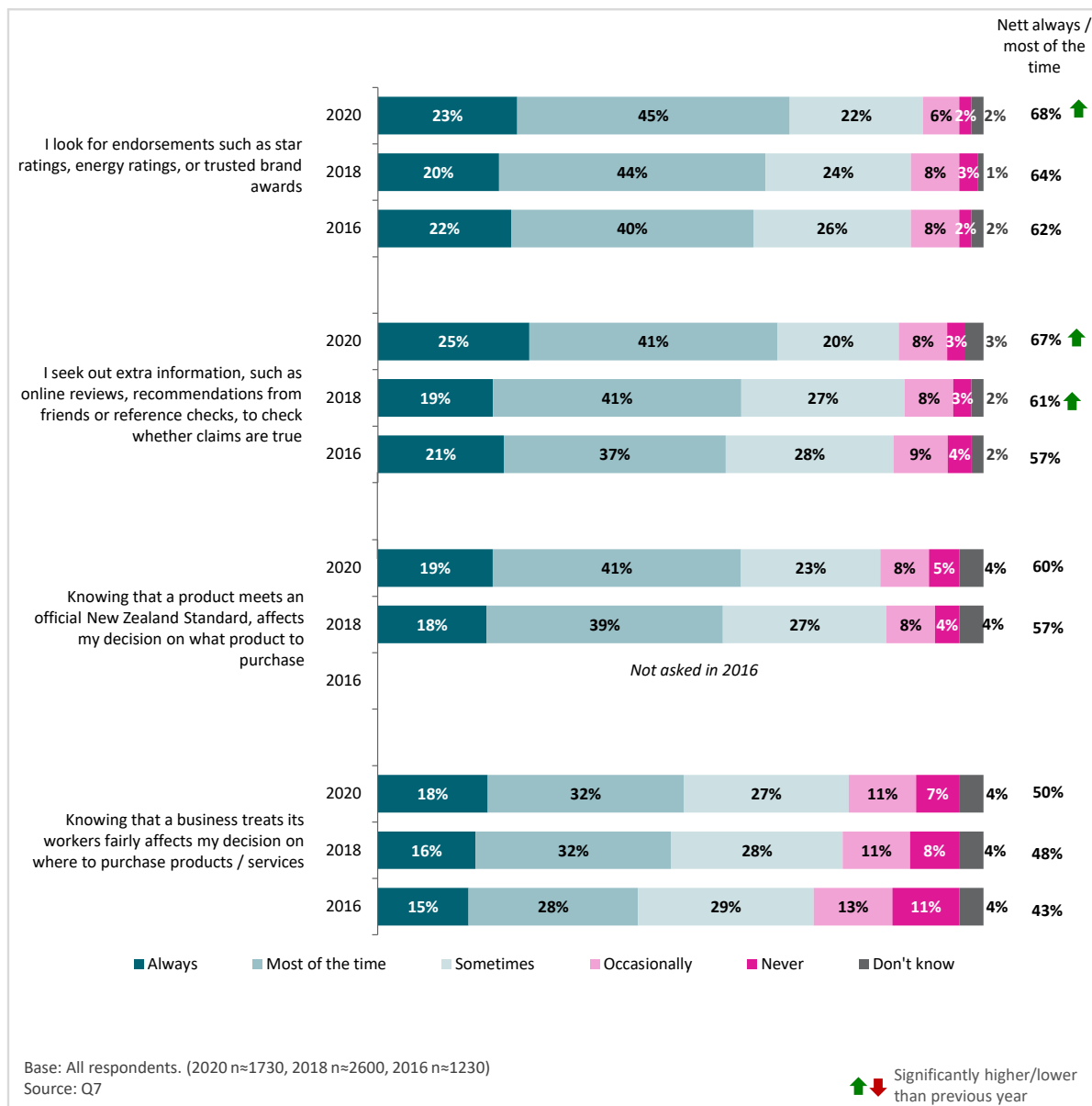
## 4. Preparing to purchase

### Consumers are showing extra caution before buying

Consumers are increasingly seeking out extra information before purchasing something (see Figure 18). Prior to purchase, almost seven in ten consumers (68%) look for endorsements such as star ratings when purchasing 'always' or 'most of the time' (up from 64% in 2018). Additionally, 67% seek out extra information to check whether claims are true 'always' or 'most of the time' (up from 61% in 2018 and 57% in 2016).

Half (51%) of consumers report both seeking extra information and looking for endorsements 'always' or 'most of the time' before purchasing (up from 46% in 2018).

**Figure 18: Agreement with statements relating to purchase preparation**



The following groups are more likely than average (68%) to say that they look for endorsements 'always' or 'most of the time':

- those aged 47-56 years (74%)
- those with a degree or higher (73%)
- women (72%).

The following groups are less likely than average (68%) to say that they look for endorsements 'always' or 'most of the time':

- those aged 18-26 years (60%)
- those whose highest education is secondary school (63%)
- men (64%).

The following groups are more likely than average (67%) to say that they seek out extra information 'always' or 'most of the time':

- those with a degree or higher (78%)
- those with an annual household income more than \$150,000 (77%)
- those aged 27-36 years (75%)
- those employed full-time (73%).

The following groups are less likely than average (67%) to say that they seek out extra information 'always' or 'most of the time':

- those aged 67 years and above (51%)
- those in retirement (51%)
- those with an annual household income up to \$25,000 (55%)
- those whose highest education is secondary school (56%).

Official standards and business practices have an impact on what consumers choose to spend their money on. Six in ten consumers (60%) say they are influenced by knowing that a product meets an official New Zealand standard, while 50% say that knowing that a business treats its workers fairly impacts their decision to purchase from them (this self-reported action has increased since 2016).



## Forty-two percent of consumers entered a credit contract in the past two years

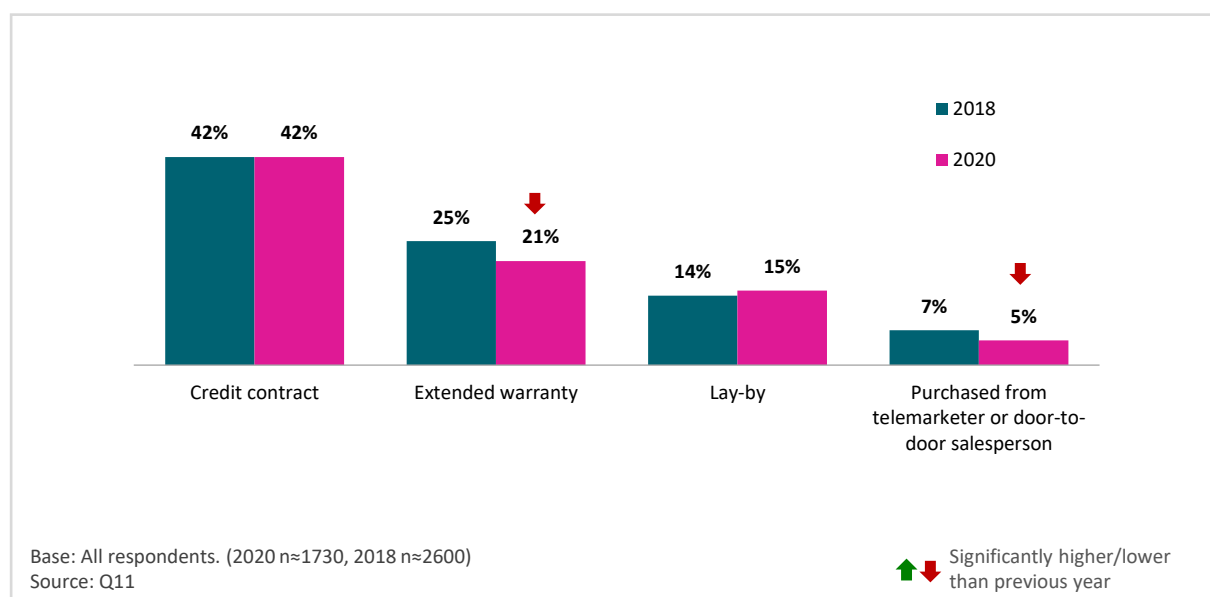
We asked consumers about purchases they made in the past two years that required them to sign an agreement. We asked about four types of purchases in particular (see Figure 19).

Fifty-six percent of consumers purchased something that involved signing an agreement, similar to 2018 (57%). Consumers were most likely to have entered a credit contract (such as for a loan, bank overdraft, or other agreement to pay something off over time) in the past two years; 42% had done this. Two in ten (21%) consumers had bought an extended warranty (down from 25% in 2018), whilst 15% had purchased something on Laybuy, and 5% had made a purchase from a telemarketer or door-to-door salesperson (down from 7% in 2018).

Groups more likely than average (42%) to have entered into a credit contract include:

- Pacific consumers (57%)
- those aged 27-46 years (55%)
- Māori consumers (54%)
- those with an annual household income over \$100,000 (53%)
- those in paid employment (51%).

**Figure 19: Percentage of consumers who made purchases which required them to sign an agreement**



Consumers aged 47-56 years are more likely than average to have purchased an extended warranty (31% compared with 21%).

The following groups are more likely than average (15%) to have purchased something through Laybuy:

- Pacific consumers (32%)
- those currently claiming the jobseeker benefit (29%)
- Māori consumers (26%)
- those aged 18-36 years (23%)
- those employed part-time (22%)
- women (20%).

Those who do not speak English as their main language are more likely than average to have purchased something from a telemarketer or door-to-door salesman (12% compared to 5%).

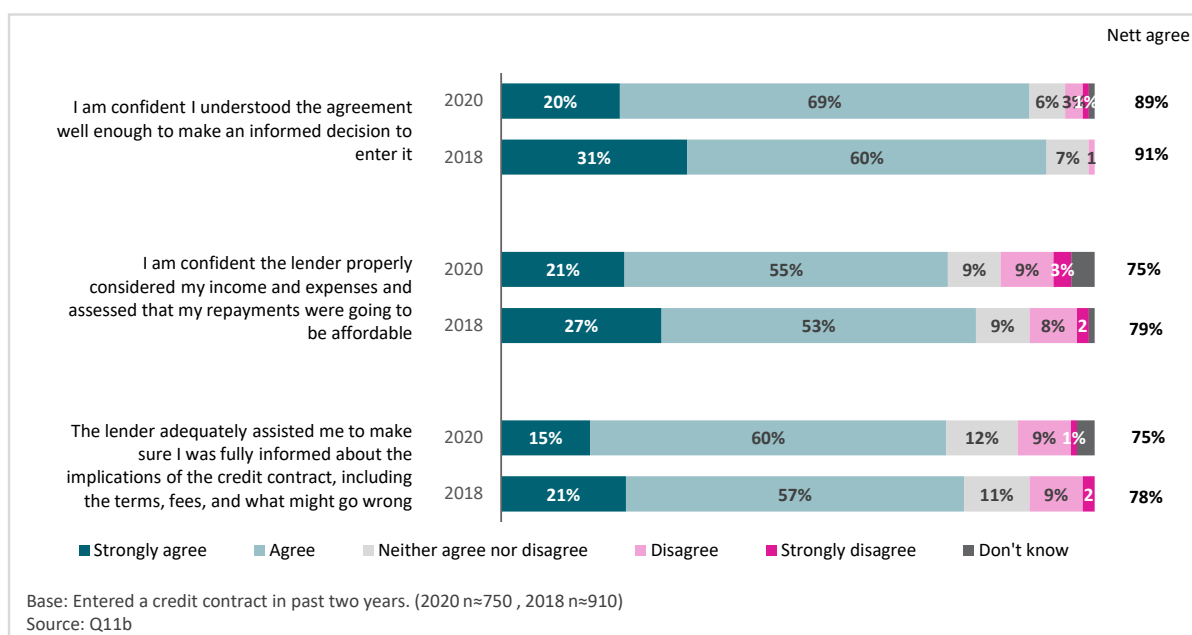
## Most consumers have confidence entering into credit contracts

Generally, consumers feel informed and confident when they sign credit agreements. Of the 42% of consumers who entered a credit contract in the past two years, most feel confident that they understood the agreement well enough to make an informed decision to enter it (89%), that the lender considered their income and expenses when assessing repayments (75%), and that the lender ensured they were fully informed about the implications of the contract (75%) (see Figure 20). Sixty-six percent of consumers who entered credit contracts agreed to all three statements. This is all in line with 2018. However, the strength of agreement has declined across all three statements – fewer consumers say that they ‘strongly agree’ compared to 2018.

A minority of consumers were sceptical of the behaviour of lenders. Eleven percent disagree that the lender ensured they were fully informed about the implications of the contract and 12% disagree that the lender properly considered their income and expenses.

Just 3% disagree that they understood the agreement well enough to make an informed decision to enter the contract.

**Figure 20: Agreement with statements regarding credit contracts**



There are no demographic differences of note.

# 5

Consumer problems –  
problem occurrence  
and characteristics

## 5. Consumer problems – problem occurrence and characteristics

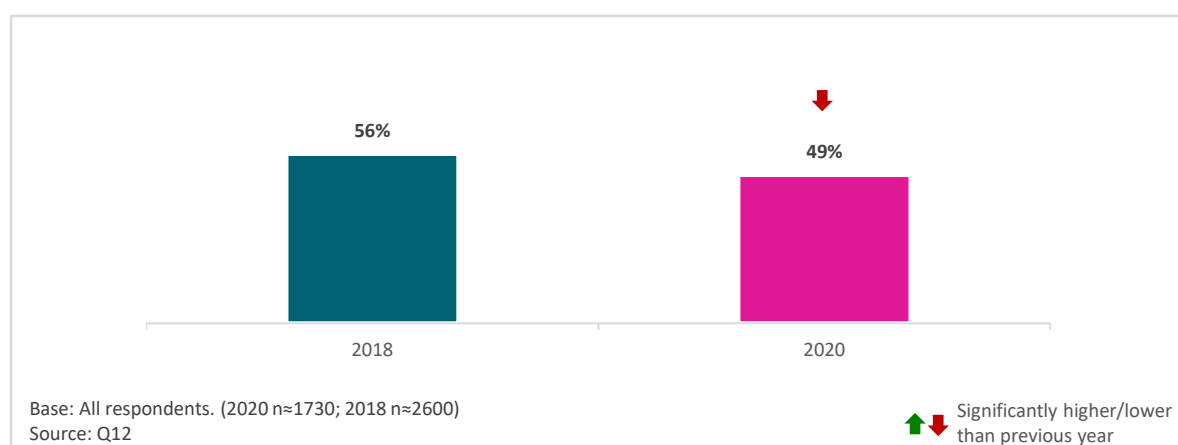
### Around half of consumers experienced a problem with something they purchased in the past two years

Consumers were asked to consider a range of product and service categories. For each category, they considered 1) whether they made a purchase in that category in the past two years, and 2) if so, whether they experienced a problem with any products or services they purchased in this category. Specifically, they were asked to think about times when:

- Information they were given about the product or service was misleading, or not true.
- They purchased a product or service that was faulty or did not deliver what they expected.
- Their legal rights as a consumer were not met.
- They felt deceived, pressured, or unfairly treated.

Half (49%) of consumers say they had a problem in one or more of the product or service categories in the past two years (see Figure 21). Fewer consumers reported a problem than did so in 2018 (56%).

**Figure 21: Proportion of consumers who experienced a problem in the past two years**



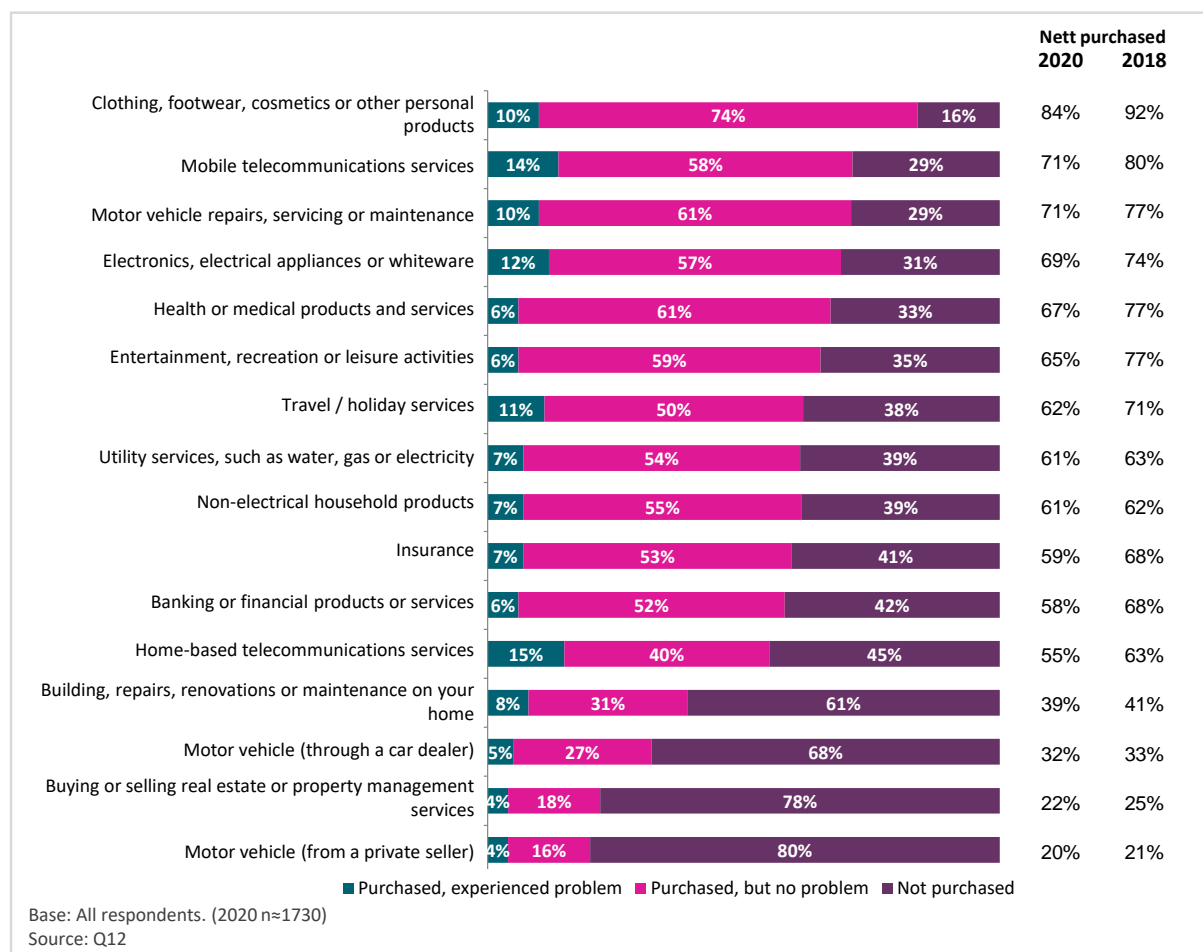
Consumers with low trust and confidence are more likely than average to report a problem (56% compared to 49%) suggesting their experiences may be impacting their trust and confidence levels. Conversely, consumers with high trust and confidence are less likely than average to report a problem (38% compared to 49%).

Consumers in paid employment are more likely than average to report having a problem (54% compared to 44% of those not in paid employment), reflecting their greater purchasing ability.

Eighty-four percent of all consumers had purchased a personal product, such as clothing or footwear, in the past two years, but only 10% had experienced a problem in this category (see Figure 22). Mobile telecommunication services was the next most purchased category, with 71% of consumers purchasing in the past two years (with 14% of consumers reporting problems).

Compared to 2018, the proportion of all consumers purchasing each product category has generally declined. At the same time the proportion of all consumers who have experienced a problem in each category is similar to 2018. This means that the problem rate is higher in 2020 than in 2018, indicating consumers are more likely to encounter issues. The average incidence rate of problems<sup>5</sup> is 15% in 2020, compared to 13% in 2018.

**Figure 22: Purchasing experiences in the past two years by product and service category**



## Thirty-four percent of consumers report experiencing more than one problem in the past two years

Thirty-four percent of consumers experienced problems in at least two categories (up from 30% in 2018). Older consumers, aged 67 and above years, are less likely than average to report experiencing at least two problems in the last two years (24%).

<sup>5</sup> This average gives an equal weighting to all product / service categories.

## Home-based telecommunications services have the highest incidence of problems

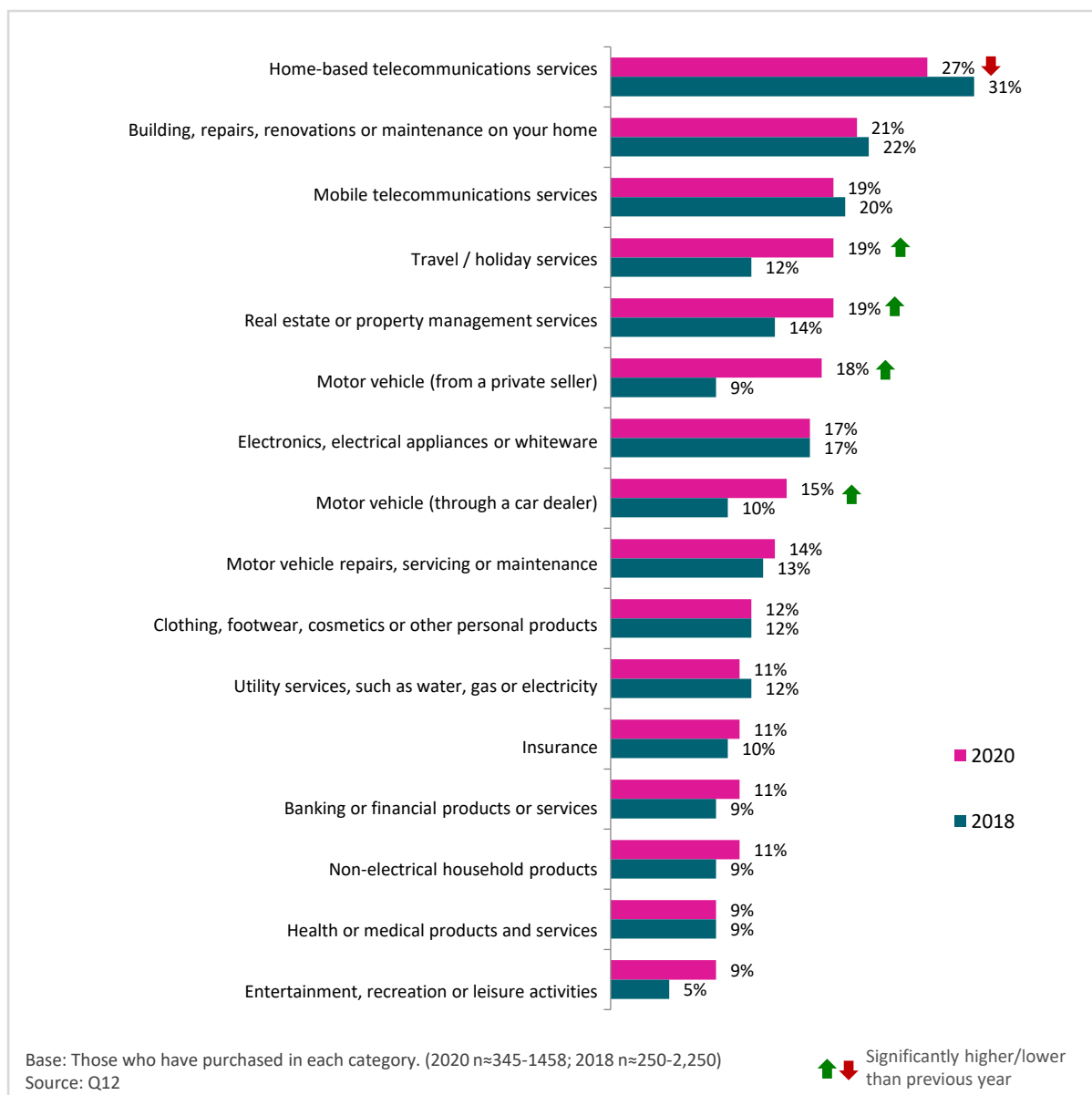
Just over half (55%) of consumers had purchased home-based telecommunication services in the past two years. This includes landline phone and copper/fibre internet services. Of those who had purchased home-based telecommunication services in the past two years, 27% reported having a consumer problem (see Figure 23), making it the category with the highest incidence of problems. This is a decrease from 31% in 2018.

Problems within the building services category have the second highest incidence rate. Twenty-one percent of those who purchased this type of service in the past two years reported experiencing a problem.

The following product categories have a higher problem incidence rate in 2020 compared to 2018:

- Travel / holiday services
- Real estate or property management services
- Motor vehicles (through either a private seller, or car dealer).

**Figure 23: Problem incidence rate by product or service category**



Within the highest incidence categories, the following differences are noted:

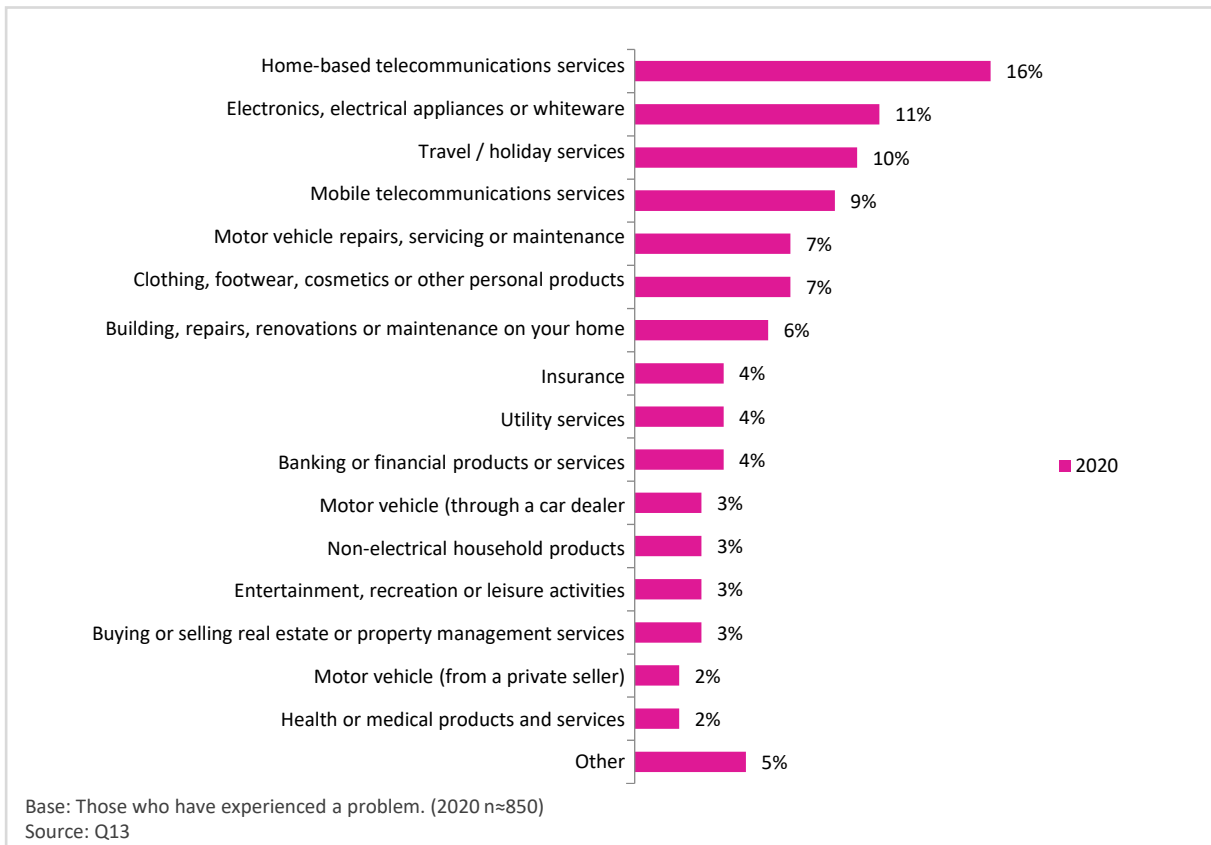
- consumers who had purchased home telecommunications services in the past two years and are aged 27-36 years are more likely than average to experience problems with these services (37% compared to 27%).
- consumers who had purchased travel / holiday services in the past two years and are aged 27-36 years are more likely than average to experience problems with these services (29% compared to 19%).

## Over a quarter of consumers say their most recent problem related to telecommunication services.

Consumers who reported having at least one problem in the past two years were asked which of their problems occurred most recently.

Of the consumers who identified having a problem, 16% said that their most recent problem was related to home-based telecommunications services, 11% identified electronics, and 10% travel / holiday services (see Figure 24).

**Figure 24: Most recent problem experienced by product or service category**



## Issues with sellers' conduct contribute to more consumer problems than products or services themselves not being up to standard

Consumers were asked what caused their most recent problem (they were allowed to select multiple reasons). The results are presented in Figure 25. The results indicate that consumers are selecting fewer options for the reason of their most recent problem, suggesting that problems are becoming less multifaceted.

Problems most often relate to issues with the seller's conduct; 60% of consumers who experienced a problem said their most recent problem was related to:

- poor customer service (27%)
- incorrect or misleading information being provided (19%)
- the cost of the product or service (e.g., there being hidden fees or unexpected charges) (16%)
- delay or non-delivery of the product or service (16%)
- unclear or unfair terms or conditions (13%)
- problems with a warranty or guarantee (5%)
- a salesperson using high pressure tactics (4%).

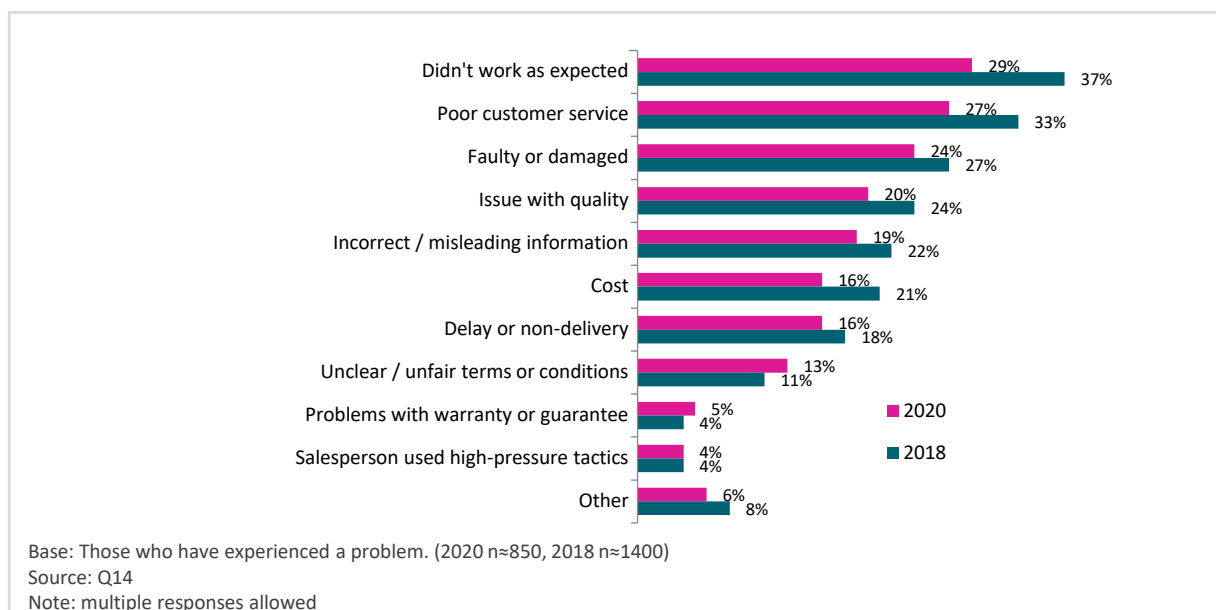
Problems with travel or holiday services are more likely than average to involve issues with the seller's conduct (77% compared to 60%).

However, almost as many consumers' (55%) most recent problem related to the product or service not performing to standard, including:

- the products or services not being what they expected (or not working) as they expected (29%)
- the product being faulty or damaged (24%)
- an issue with the quality of the product or service (20%).

Problems with clothing, footwear, cosmetics, or other personal products are more likely than average to note issues relating to the product or service not performing to standard (78% compared to 55%).

**Figure 25: Reasons for most recent problem**



There is little demographic variation in the types of issues experienced.

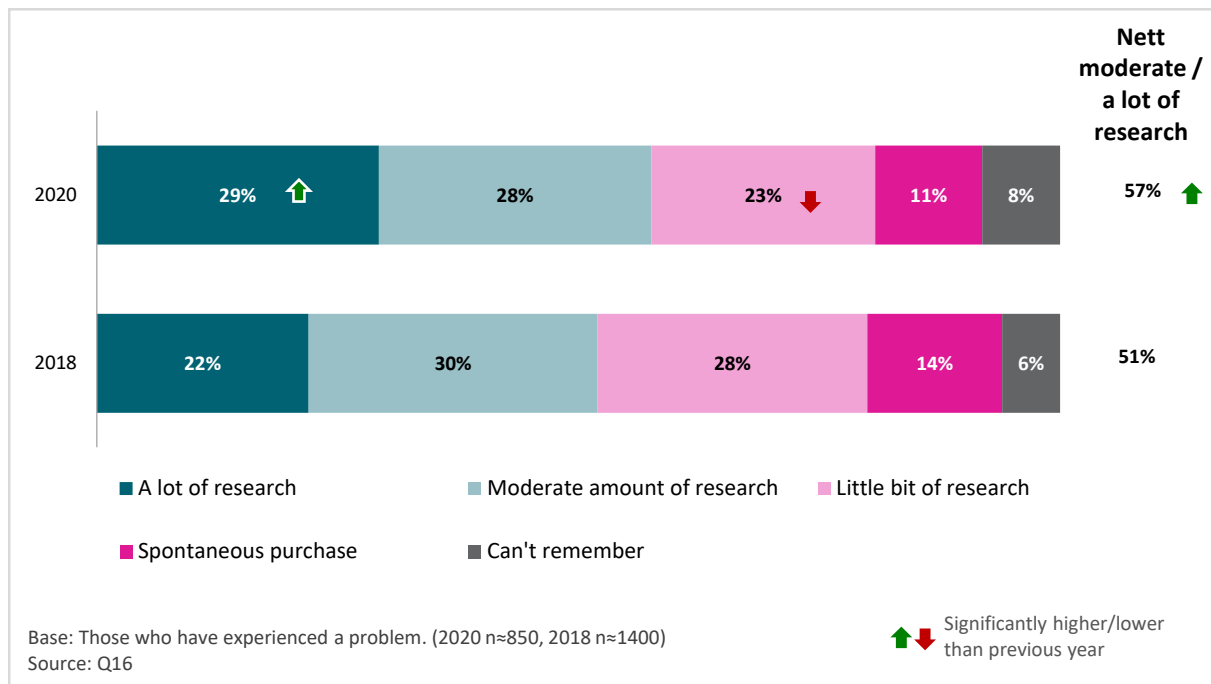


## Consumers are increasingly doing their research before buying

Consumers generally did some research before making the purchase with which their most recent problem occurred (see Figure 26). Only 11% made a spontaneous purchase without conducting any research, and six in ten conducted at least a moderate amount of research (57%). Twenty-nine percent did a lot of research (up from 22% in 2018).

These findings reflect wider population trends we see at Figure 18 of consumers taking greater care before purchase.

**Figure 26: Amount of research prior to purchase with which a problem occurred**



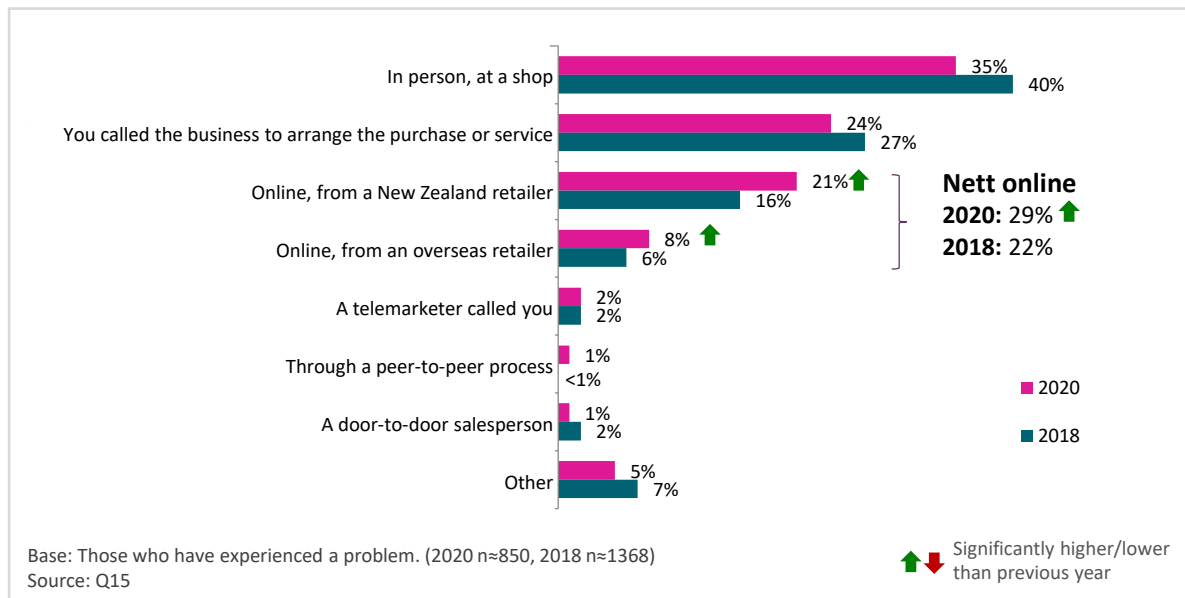
The amount of research consumers did prior to their problem-purchase is closely related to the value of the product or service they are purchasing. Just 16% of those whose problem-purchase was worth up to \$50 said they did 'a lot' or research beforehand. This compares to 38% among those whose purchase cost over \$1,000.

As in 2018, women are more likely than men (13% compared with 8%) to have made a spontaneous purchase.

## Problem-purchases are increasingly being made online

One-third (35%) of consumers who experienced a problem made their purchase in-person, at a store (see Figure 27). Three in ten (29%) made their purchase online (either through a New Zealand or overseas retailer). Problem-purchases are almost twice as likely to have been bought online in 2020 vs. 2016 (29%, compared to 22% in 2018 to 16% in 2016).

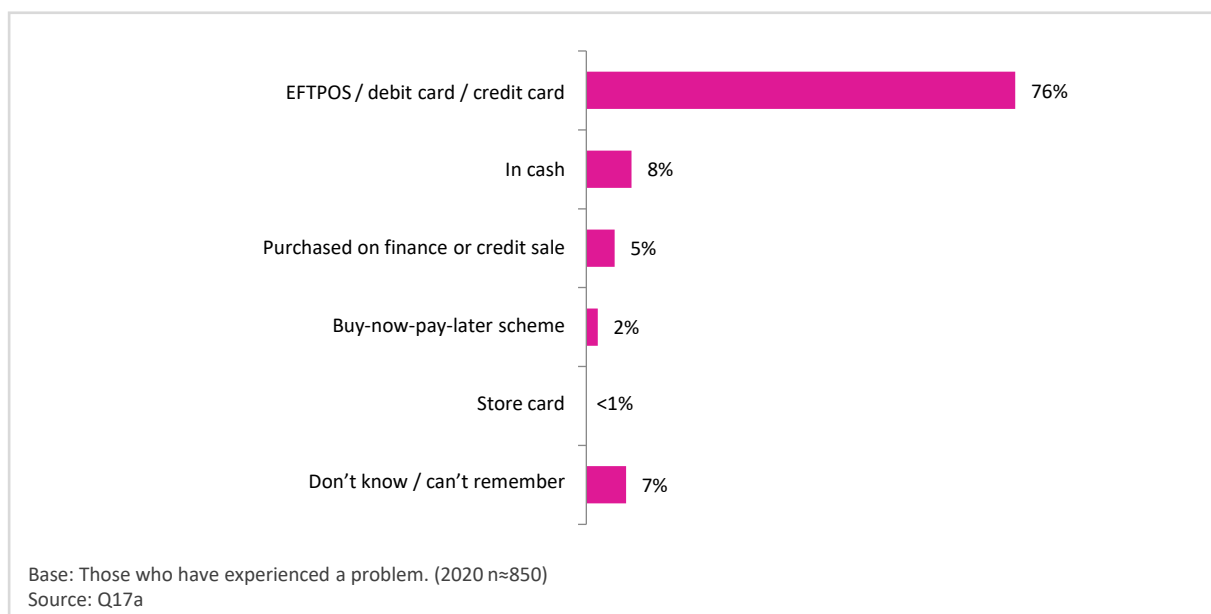
**Figure 27: Method of purchase**



## Most purchases are made with an EFTPOS, debit, or credit card

Three-quarters (76%) of problem-purchases were made with either an EFTPOS, debit, or credit card (see Figure 28). Relatively few purchases were made with any other payment method.

**Figure 28: Method of payment**



Older consumers, aged 67 years and above, are less likely than average to have completed their purchase using an EFTPOS, debit, or credit card (63% compared to 76%).

Māori consumers are more likely than average to have completed their purchase on a finance or credit sale (17% compared to 5%).

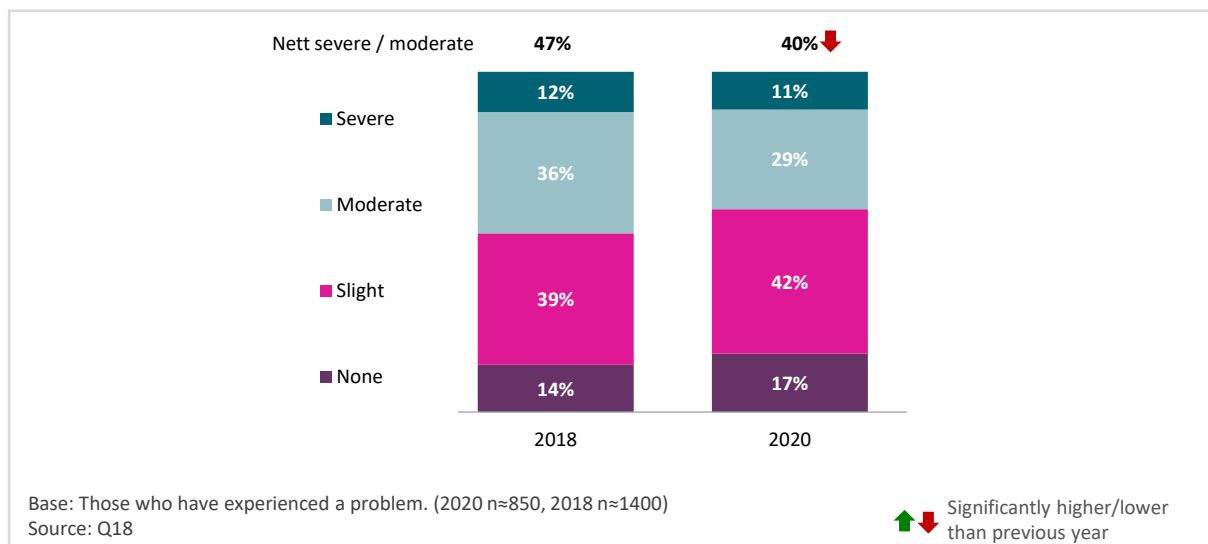
## Problems are typically having a milder impact on consumers than in 2018

We asked consumers how much of an impact their most recent problem had on their everyday life (see Figure 29).

Four in ten (40%) consumers said the problem had a ‘moderate’ (29%) or ‘severe’ (11%) impact on their life (down from 47% in 2018). A further 42% of consumers said the problem had a ‘slight’ impact on their life, whilst 17% said it had no impact at all.

One interpretation of these results is that the problems are becoming less impactful. Another is that in light of COVID-19, consumers are viewing these issues with a fresh perspective, and the issues brought about by problem-purchases don’t seem as important. Indeed, consumers who said that COVID-19 / lockdown caused their problem are more likely than average to say that their problem had no impact on their lives (27% compared to 17%).

**Figure 29: Impact of most recent problem on everyday life**



Problems which are perceived to be difficult to resolve tend to have a high impact on consumers’ lives; 21% of those who feel their problem was difficult to resolve say it had a severe impact on their everyday life. This compares to 6% who said a difficult to resolve problem had no impact on their lives.

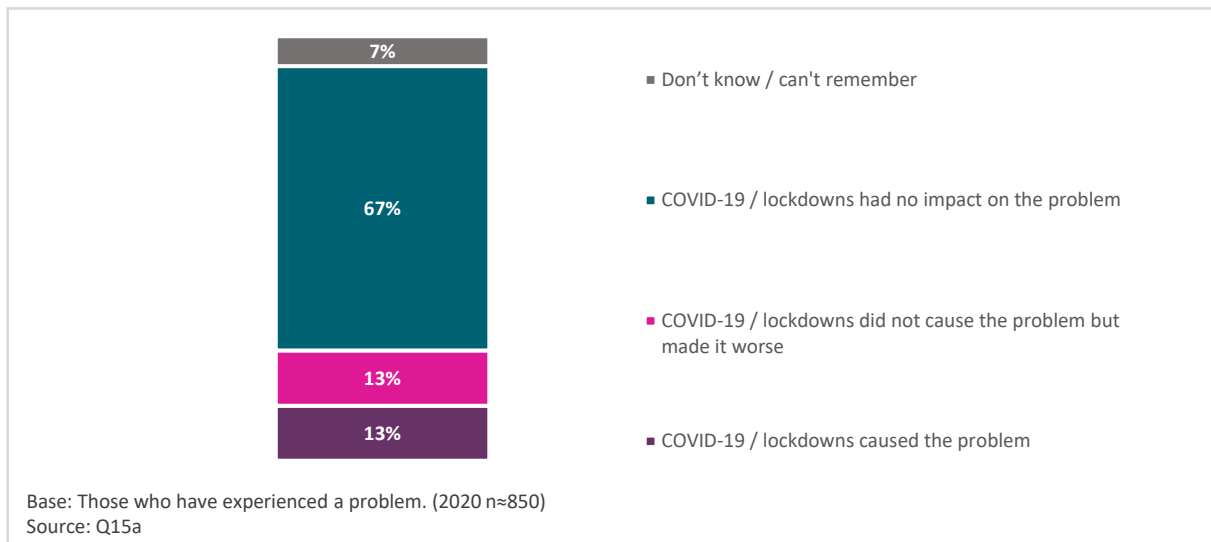
There continues to be a relationship between the value of the purchase and the impact on the consumers. Consumers whose problem purchase cost over \$1,000 are more likely than those whose purchase cost less than \$1,000 to say the problem had a ‘severe’ impact on their everyday life (20% compared with 7%).

Women aged 57-66 years are more likely than average to say their most recent problem had either a ‘moderate’ or ‘severe’ impact on their everyday life (61% compared with 40%). Men aged 47-56, however, are less likely than average to say their most recent problem had either a ‘moderate’ or ‘severe’ impact on their everyday life (25% compared with 40%).

## COVID-19 resulted in or exacerbated problem-purchases for some consumers

In 2020, we asked consumers who experienced a problem to what extent (if any) COVID-19 and the resulting lockdowns had on their problem. For two-thirds (67%) of consumers, COVID-19 and lockdown had no impact on their problem. For one-quarter (26%), COVID-19 and lockdown either caused the problem (13%) or made the problem worse (13%).

Figure 30: Impact of COVID-19 / Lockdown on problems



Unsurprisingly, problems where COVID-19 / lockdown had an impact are more likely than average to involve travel and holiday services (70% compared to 26%).

Problems in the following categories are more likely than average (67%) to have not been impacted at all by COVID-19 / lockdown:

- motor vehicle repairs, servicing, or maintenance (84%)
- electronics, appliances, or whiteware (81%)
- home-based telecommunications services (79%).

# 6

## Resolving consumer problems

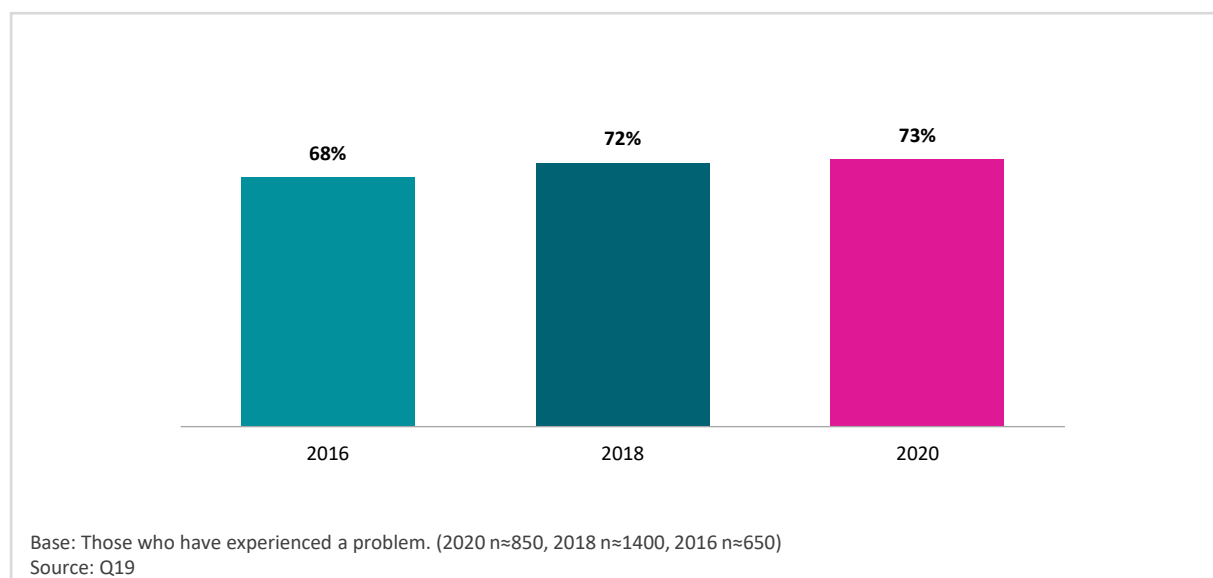
## 6. Resolving consumer problems

Consumers were asked, with reference to their most recent problem, whether they sought to resolve their problem and to identify what steps they took. This is to assess whether consumers understand what actions to take when seeking redress and find out how many can reach a satisfactory resolution. This information will identify areas where consumers may be facing obstacles to reaching a successful outcome.

### The proportion of consumers who take action has been trending upwards since 2016

Almost three-quarters (73%) of consumers report taking action to try and resolve their most recent problem (see Figure 31). This compares to 68% back in 2016. At this point in the questionnaire, “action” was not defined, so it was up to the respondents to interpret what behaviours constituted “action”.

**Figure 31: Percentage of consumers who took action to resolve their problems**



Consumers reporting issues with electronics, or with utility services were most likely to take action to resolve their problem (both 86%) followed by 80% of consumers whose problems involved non-electrical household products, and 79% of consumers with problems with a motor vehicle (from a car dealer). Consumers who had problems with clothing, footwear, or cosmetics were some of the least likely to take action regarding their problem (53%), as were those who had problem with a motor vehicle (through a private seller) (54%).

The following groups of consumers are less likely than average (73%) to take action to resolve their problems:

- those who have not purchased anything online in the last six months (50%)
- those whose highest level of education is secondary school (63%)
- those whose problem had a ‘slight’ impact (68%).

The following groups of consumers are more likely than average (73%) to take action to resolve their problems:

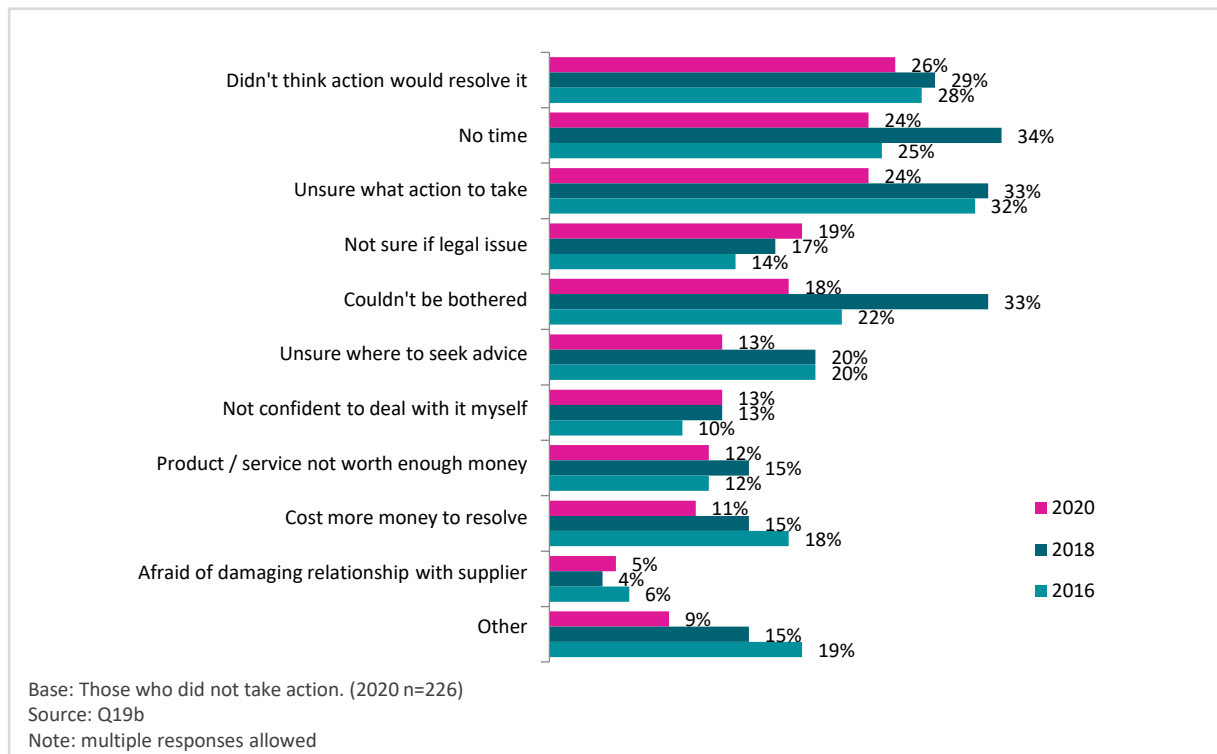
- consumers with a high practical knowledge about consumer rights and laws (83%)
- those whose problem had a ‘moderate’ or ‘severe’ impact (83%)
- those whose purchase cost over \$1000 (80%)
- women (76%).

### Most consumers who did not take action in relation to their problem faced a barrier

Consumers who did not take action largely did not because they faced a barrier, such as not thinking action would resolve their issue (26%), a lack of time (24%) or a lack of knowledge on what action to take (24%) (see Figure 32).

Consumers thinking that taking action would not resolve their problem is now the number one barrier in 2020 (it ranked fourth in 2018).

**Figure 32: Reasons for not taking action**



## Most consumers who took action contacted the business to try and resolve their problem, and this tended to be the first thing they did

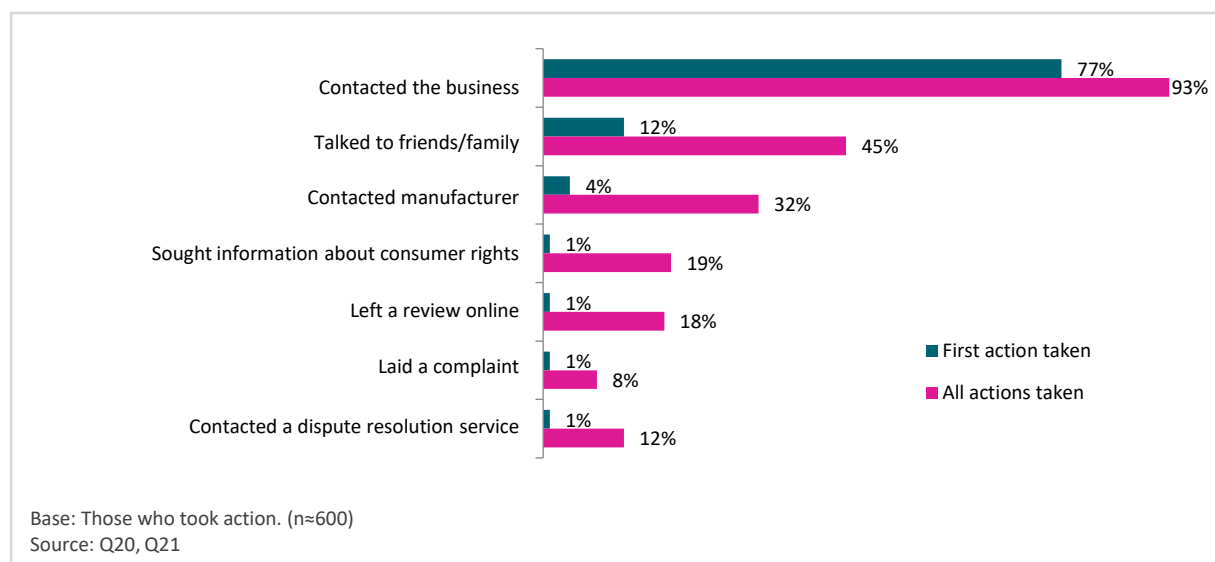
Nearly all consumers who took action (93%) in relation to their most recent problem contacted the business at some point in the problem resolution process, and 77% took this action first (see Figure 33). This is true of problems across all product and service categories.<sup>6</sup>

Almost half (45%) talked to family or friends at some point, but only 12% of consumers who took action in relation to their problem said this was the first action they took. In addition, 19% of consumers sought information about their rights, and 12% contacted a dispute resolution service.

Consumers are more likely to have taken each of the actions listed on the survey than they were in 2018, indicating that consumers are becoming more proactive in trying to resolve problems or seek advice.

Focussing on consumers' first actions taken, they are less likely to have contacted the business first than they were in 2018 (77% compared to 82%). All other results for first action taken are consistent with those measured in the 2018 survey.

**Figure 33: Actions consumers took to resolve their problems**



One-third (34%) of those who contacted the business did not take any other steps to try and resolve their problem. Among those who did take other steps:

- 45% talked with family and friends
- 31% contacted the manufacturer or distributor
- 20% sought information about their consumer rights
- 18% left a review or comment online
- 13% contacted a dispute resolution service
- 8% laid a complaint with an enforcement agency or government organisation.

<sup>6</sup> For which the base size is sufficient for analysis.



Some groups, however, are more likely than average (12%) to consult their friends and family first:

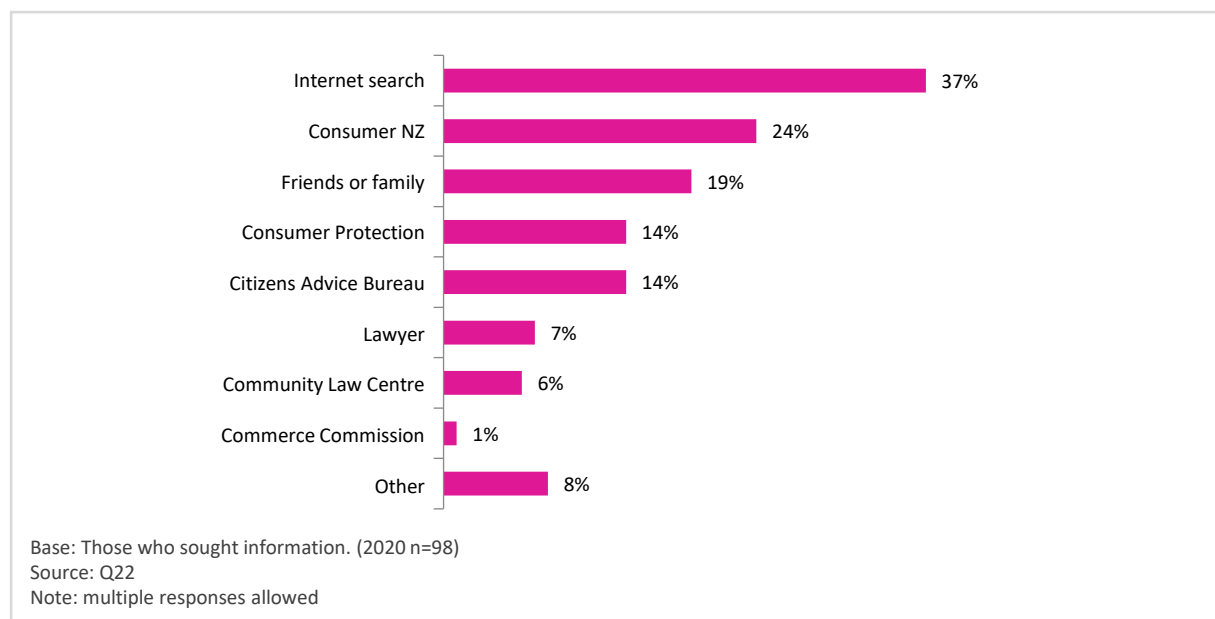
- those aged 18 – 26 years (25%)
- women (16%).

We asked consumers who said they sought information or advice about their consumer rights where they went (see Figure 34). Almost four in ten (37%) conducted an internet search, while half (48%) approached an official organisation. A further 7% contacted a lawyer.

In 2020, consumers were less likely to use the following information sources than they were in 2018:

- friends or family (19% compared to 37%)
- lawyer (7% compared to 24%)
- Commerce Commission (1% compared to 11%).

**Figure 34: Where consumers sought information or advice in relation to their problems**



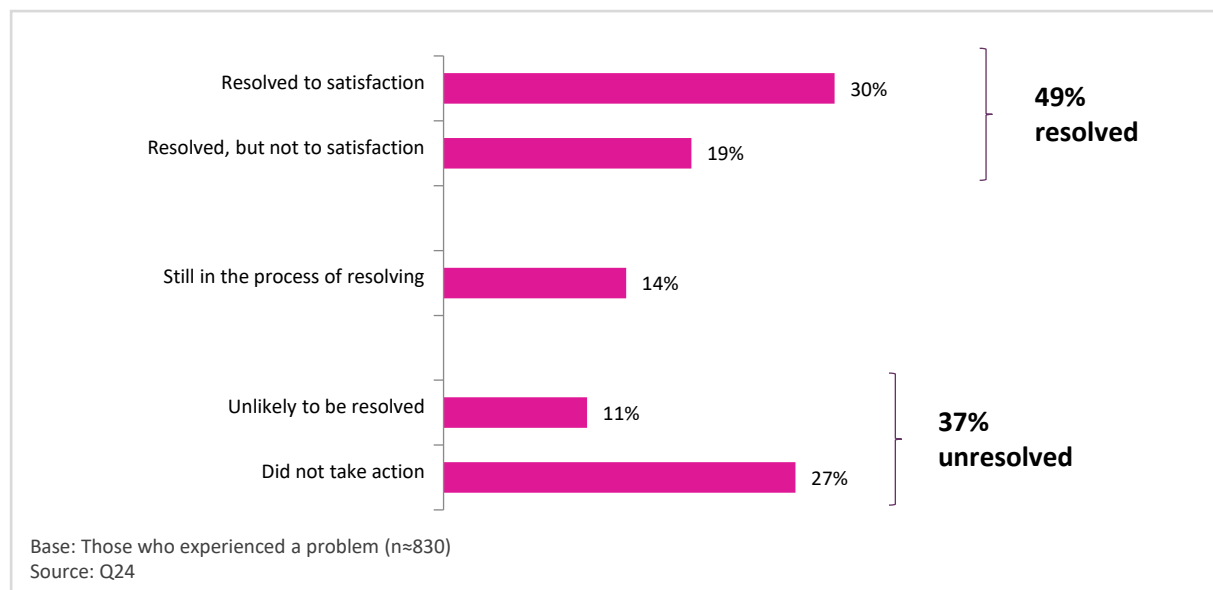
There are no demographic differences of note.

## Half of consumers with a problem say their problem is resolved

Consistent with previous years, half (49%) of consumers who experience a problem manage to resolve it (53% in 2018, and 51% in 2016) (see Figure 36). This includes 30% of consumers whose problem was resolved to their satisfaction, and 19% whose problem was resolved, but not to their satisfaction (also consistent with previous years).

Thirty-seven percent of problems go unresolved, either where the consumer has not taken action (27%) or the problem is unlikely to be resolved (11%). Fourteen percent of consumers say their problem is still in the process of being resolved (up from 8% in 2018).

**Figure 35: Problem resolution status**



The following groups are more likely than average (37%) to have their problem left unresolved (meaning it is either unlikely to be resolved or they did not take action to resolve it):

- those aged 18-26 years (49%)
- those not in paid employment (46%)
- those whose highest education is secondary school (45%).

Resolution rates vary depending on the product or service category within which the problem was experienced. Consumers were most likely to report that their problem was resolved (meaning it is resolved to their satisfaction or resolved, but not to their satisfaction) with:

- non-electrical household products (71%)
- electronics, electrical appliances, or whiteware (70%).

Whereas, consumers were least likely to report that their problem was resolved in relation to:

- building, repairs, renovations, or maintenance (23%)
- health or medical products and services (28%).

Resolution rates are also impacted by the type of issue experienced. Consumers who reported that their most recent problem related to issues with the seller's conduct are less likely to be resolved than those whose problems relate to products or services not performing to standard (44% compared to 50%).

Additionally, resolution rates are slightly lower for purchases made online (46%, compared to 50% of those who dealt directly with the business (either in person or over the phone)).

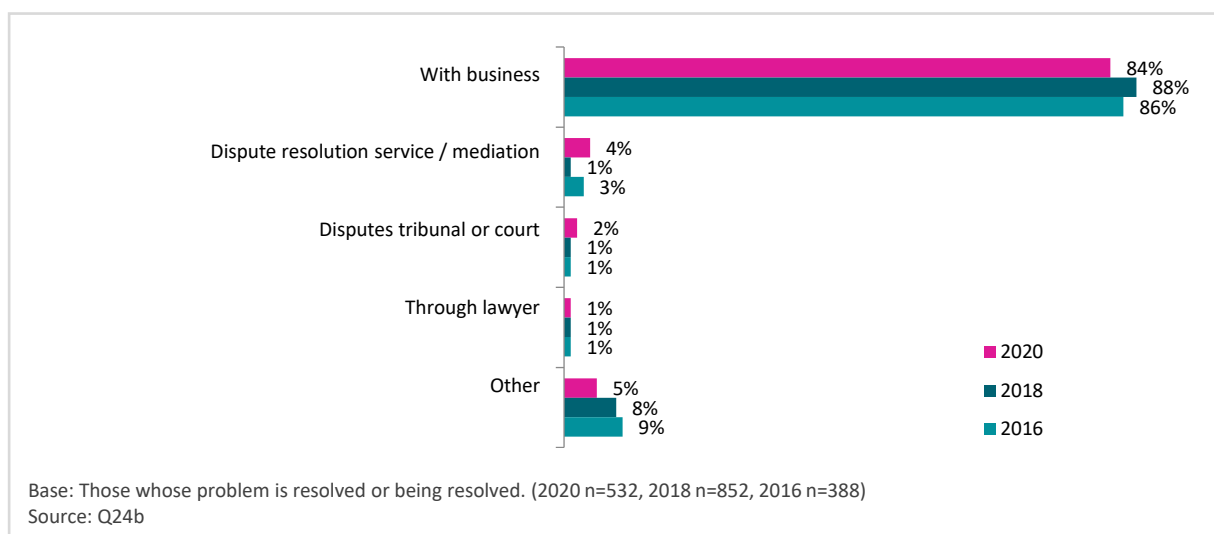
The rates of taking action have a significant impact on resolution rate by product or service category, as those categories where fewer consumers take action would obviously see lower resolution rates. Of those who took action, 66% reported that their problem was resolved (down from 74% in 2018). This includes 41% of consumers whose problems were resolved to their satisfaction, and 25% whose problems were resolved, but not to their satisfaction (compared to 49% and 25% in 2018).

### Most problems are resolved directly with the business

Most (84%) of the problems that were resolved (or are in the process of being resolved) were done so directly with the business (see Figure 36). Very few were resolved through a dispute resolution service or mediation (4%), disputes tribunal or court (2%), or through a lawyer (1%).

Consumers are more likely to have resolved their problem through a dispute resolution service or mediation than they were in 2018 (4% compared to 1%), although this is in line with 2016.

**Figure 36: Ways in which problems were resolved**



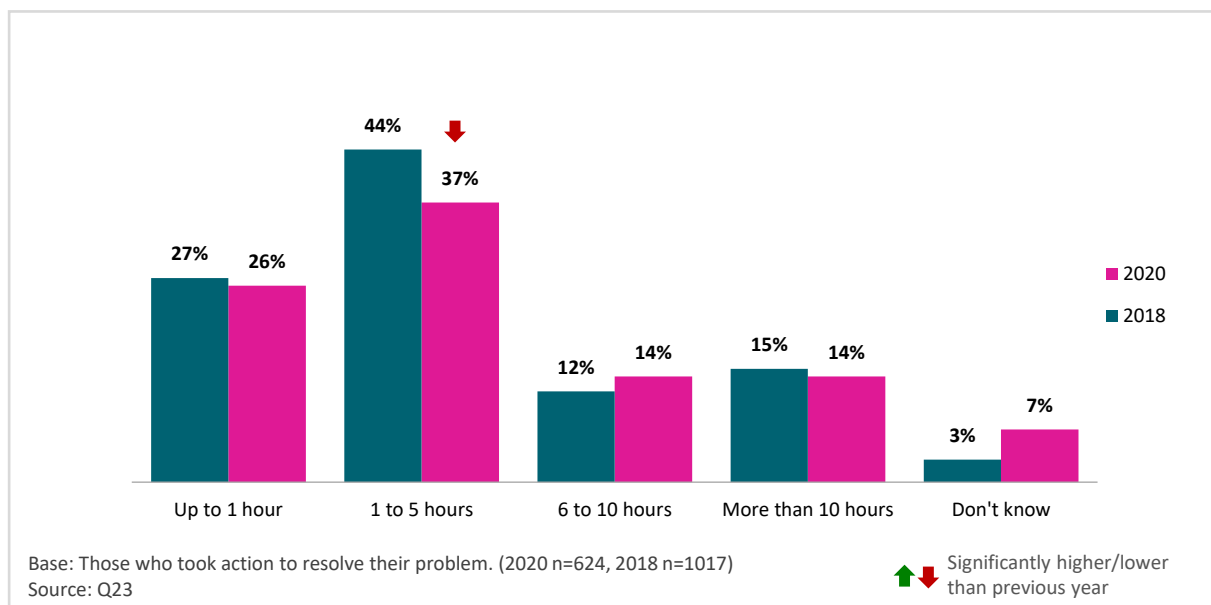
There is no demographic variation of note.

## Most consumers spend five hours or less resolving their problems

Sixty-three percent of consumers (and others on their behalf) spend up to five hours resolving their problems, whilst 70% of consumers spent up to five hours in 2018 (see Figure 37). In 2020, 28% of consumers spent more than five hours trying to resolve their problems, in line with 27% in 2018.

Note the results in Figure 37 are based on all consumers who took action in relation to their problems (whether they resolved them or not).

**Figure 37: Time taken trying to resolve problems**



Consumers spend less time dealing with problems that end up being resolved to their satisfaction than they do dealing with problems that have an unsatisfactory outcome. Twenty-two percent of consumers who resolved their problem to their satisfaction spent more than five hours dealing with the problem. This compares to 33% who spent this amount of time dealing with a problem that was either resolved, but not to their satisfaction, or is unlikely to be resolved.

Additionally, consumers are more likely than average (28%) to spend longer than five hours dealing with the following problem types:

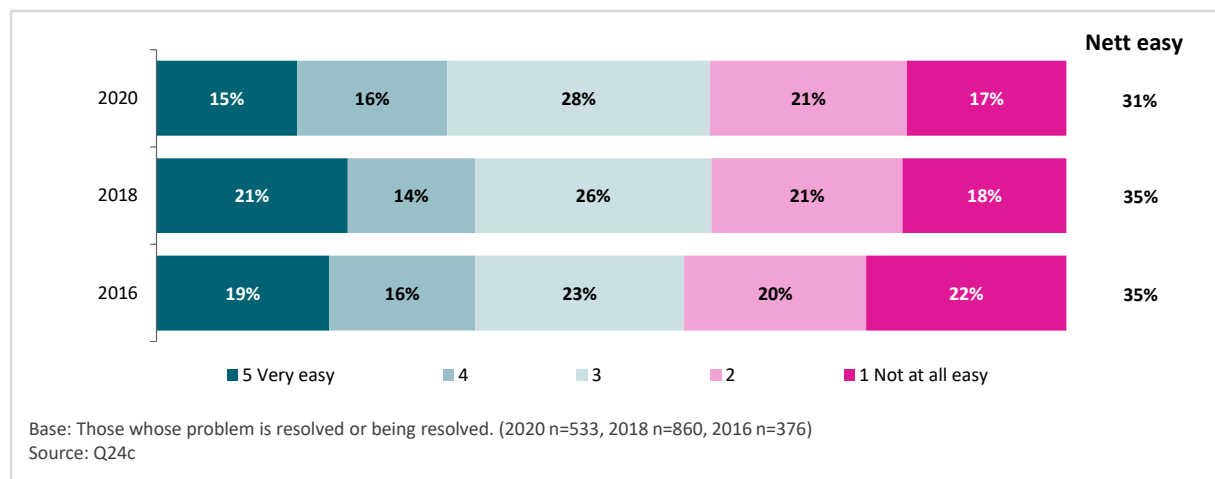
- problems with purchases valued at over \$1,000 (37%)
- problems that have a 'severe' impact on their everyday life (66% compared with 18% among problems which have a 'slight' or no impact).

## Three in ten consumers say their problems were easy to resolve, but equal numbers say they were not easy

We asked consumers who resolved their problems to rate how easy it was on a scale of one to five where '1' means 'not at all easy' and '5' means 'very easy' (see Figure 38).

Three in ten consumers (31%) whose problems were resolved (or are being resolved) said that doing so was easy (rating a '4' or '5'). This compares to 38% who rated '1' or '2', indicating their problems were not easy to resolve. These figures are broadly in line with both 2018 and 2016, although fewer consumers in 2020 say the process was 'very easy' (15%, compared to 21% in 2018).

**Figure 38: Ease of resolving problems**



There are differences in ease of resolution by product and service category. Consumers whose problems related to purchases of electronics, electrical appliances, or whiteware (59%) were more likely than average (35%) to say it was easy to resolve their problem. Whereas, those whose problems related to home-based telecommunications or travel / holiday services were less likely to say the problem was easy to resolve (15% and 16%, respectively, compared with 35%).

Problems with inexpensive products or services tend to be easier to resolve. Fifty-two percent of problems with purchases valued under \$50 were easy to resolve compared to just 24% among purchases worth over \$1000.

# 7

## Problem sector summaries

## 7. Problem sector summaries

In this chapter, we analyse problems in each product or service category in detail. Not all categories have a sufficient sample size<sup>7</sup> for analysis at this level, therefore some categories have been excluded.

The summaries are ordered by the 'problem rate' i.e. the proportion of consumers within each category who experienced a problem. They are ordered high to low in terms of the problem rate.

Note, the averages presented in this section are category averages. These give an equal weight to each of the product/service categories included. Therefore, they may not match the total results presented previously in this report (which represent the averages across all problems, rather than categories).

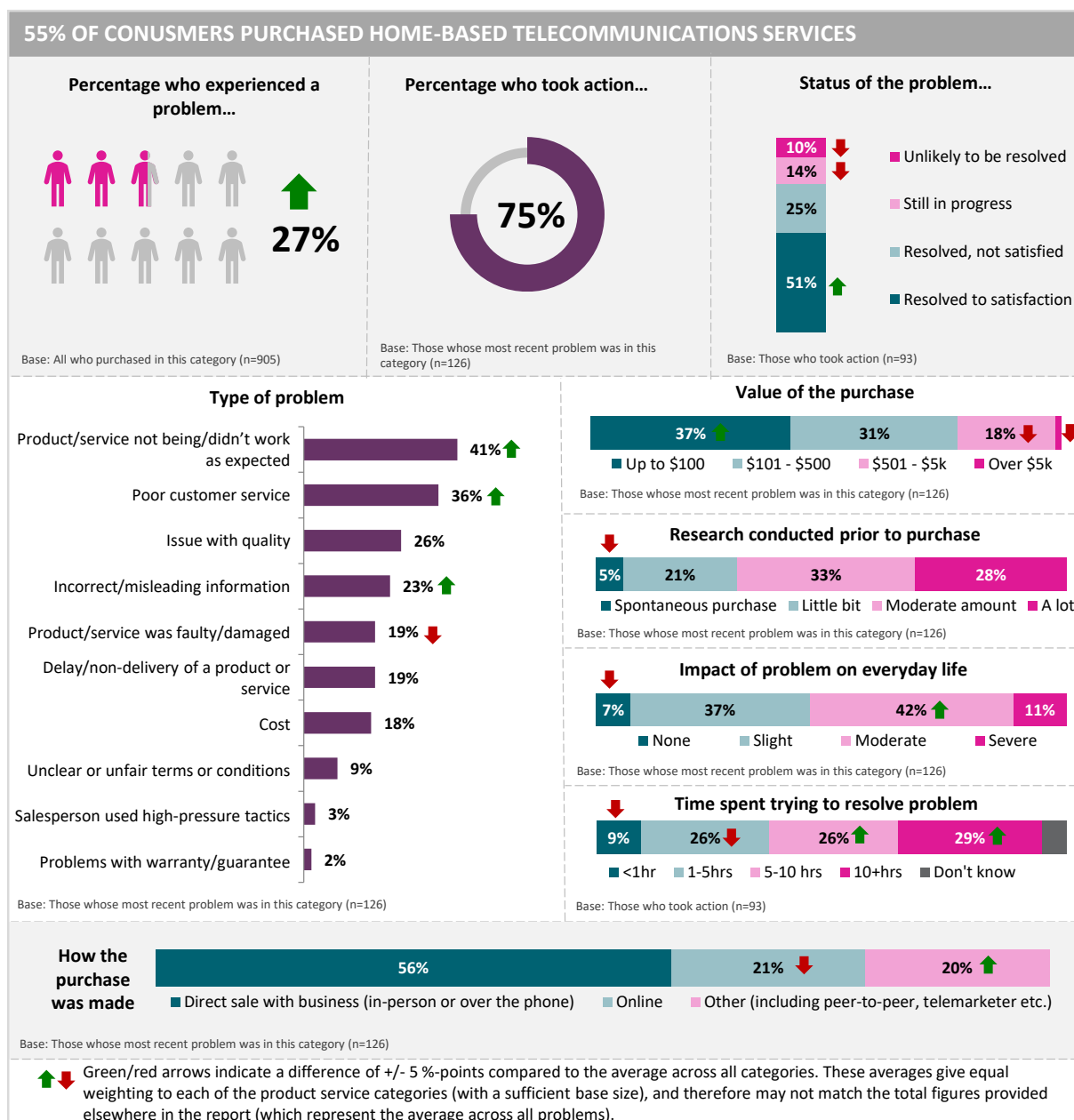
At the end of this chapter there is a table summarising differences against the average for each of these product and service categories.

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<sup>7</sup> The minimum sample size for analysis (based on those who took action to resolve the problem) is n=50

# Home-based telecommunications services

Figure 39: Overview of problems with home-based telecommunications services



Problems with home-based telecommunications services are relatively common. One-quarter (27%) of those who purchased home-based telecommunications in the past two years report experiencing a problem. This is higher than the average of 18% across all product and service categories. Consumers with home-based telecommunication service problems are more likely than average to say the problem had a moderate impact on their everyday life (42% compared to 30% across all categories).

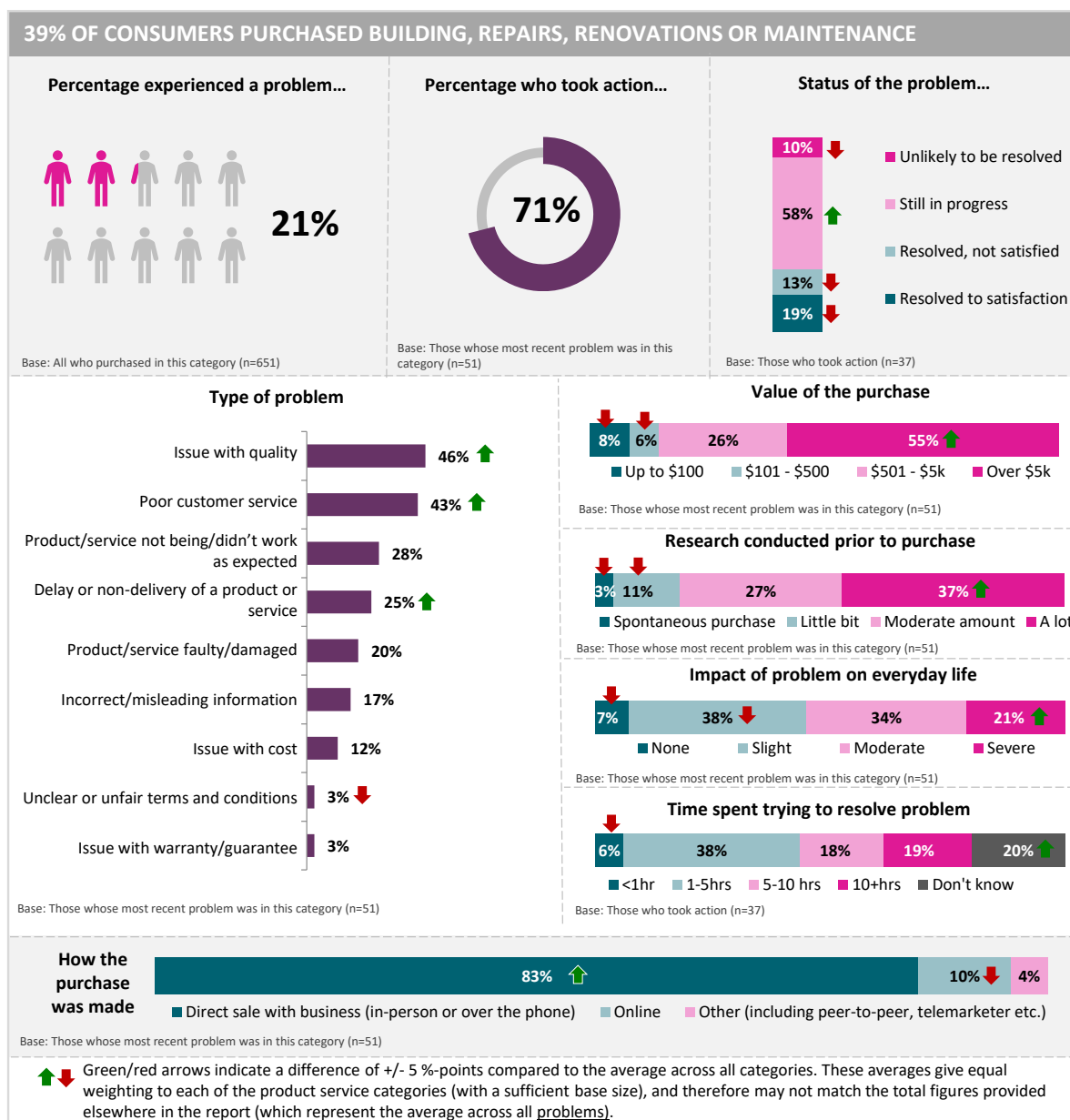
However, resolution rates for those who take action are slightly better than the average with more consumers reporting that their problem is resolved to their satisfaction, and fewer consumers reporting their problem is still in progress, or unlikely to be resolved.

Compared to other categories, problems with home-based telecommunications services can be time-consuming to resolve. Those who experienced an issue are more likely than average to say it took 5 hours or more to resolve (55% compared to 29% across all categories).



# Building, repairs, renovations or maintenance on your home

Figure 40: Overview of problems with building, repairs, renovations or maintenance



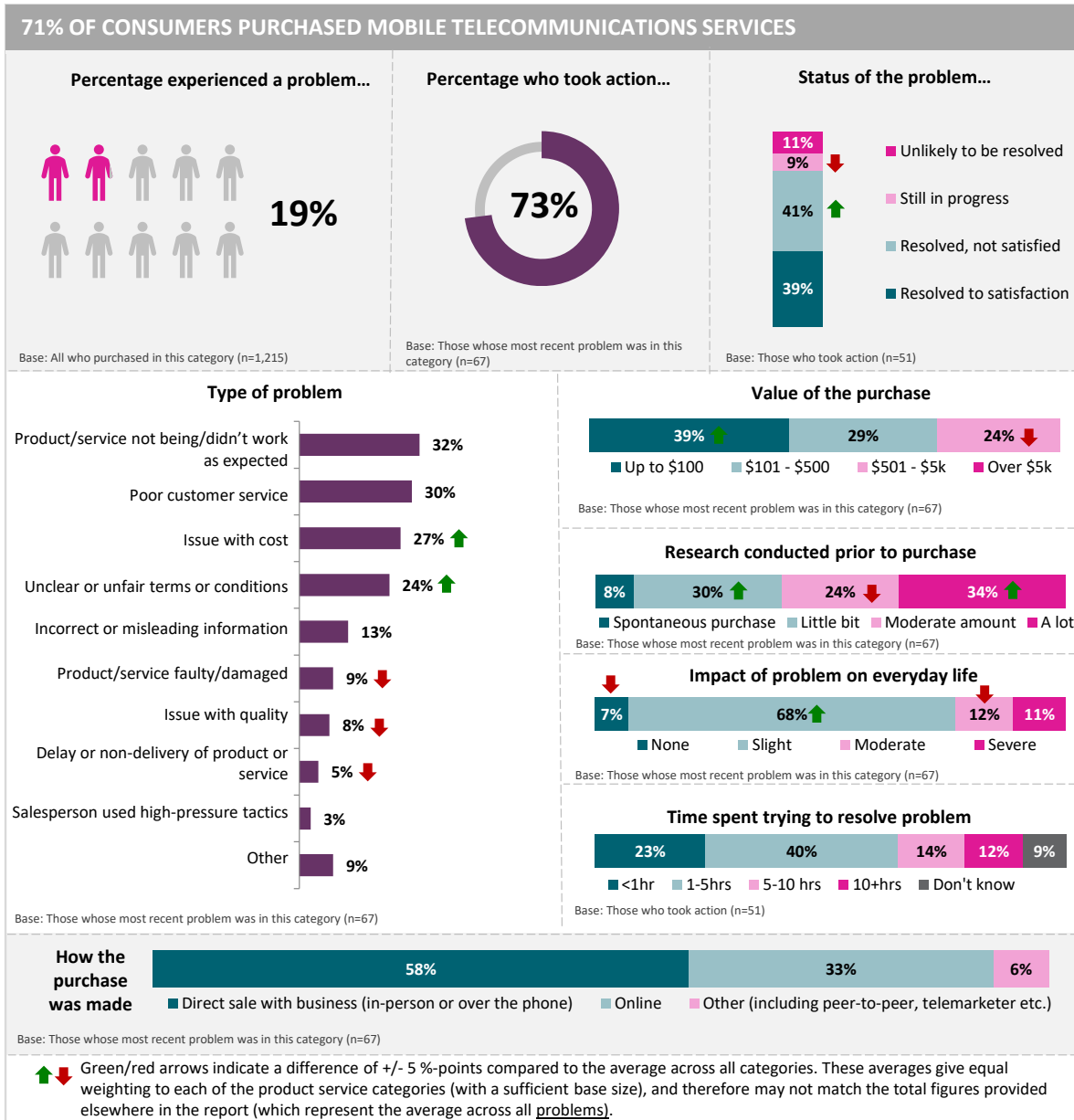
The occurrence of problems with building services is in line with the average. Purchases in this category tend to be significant for consumers. Consumers who experienced problems are more likely than average to say they did 'a lot' of research before their purchase, and 55% spent more than \$5,000 on the problem purchase. This is significantly higher than the 19% average across the categories.

Seventy-one percent of those who experience a problem take action, which is consistent with the average. However, they are less likely than average to gain a satisfactory resolution, with a higher than average amount still being in progress.

The problems which are more common than average in this category include: poor quality, poor customer service, and delay or non-delivery of the service.

# Mobile telecommunications services

Figure 41: Overview of problems with mobile telecommunications services



A fifth (19%) of consumers who purchased mobile telecommunications services in the past two years experienced a problem; in line with the 18% average for all categories.

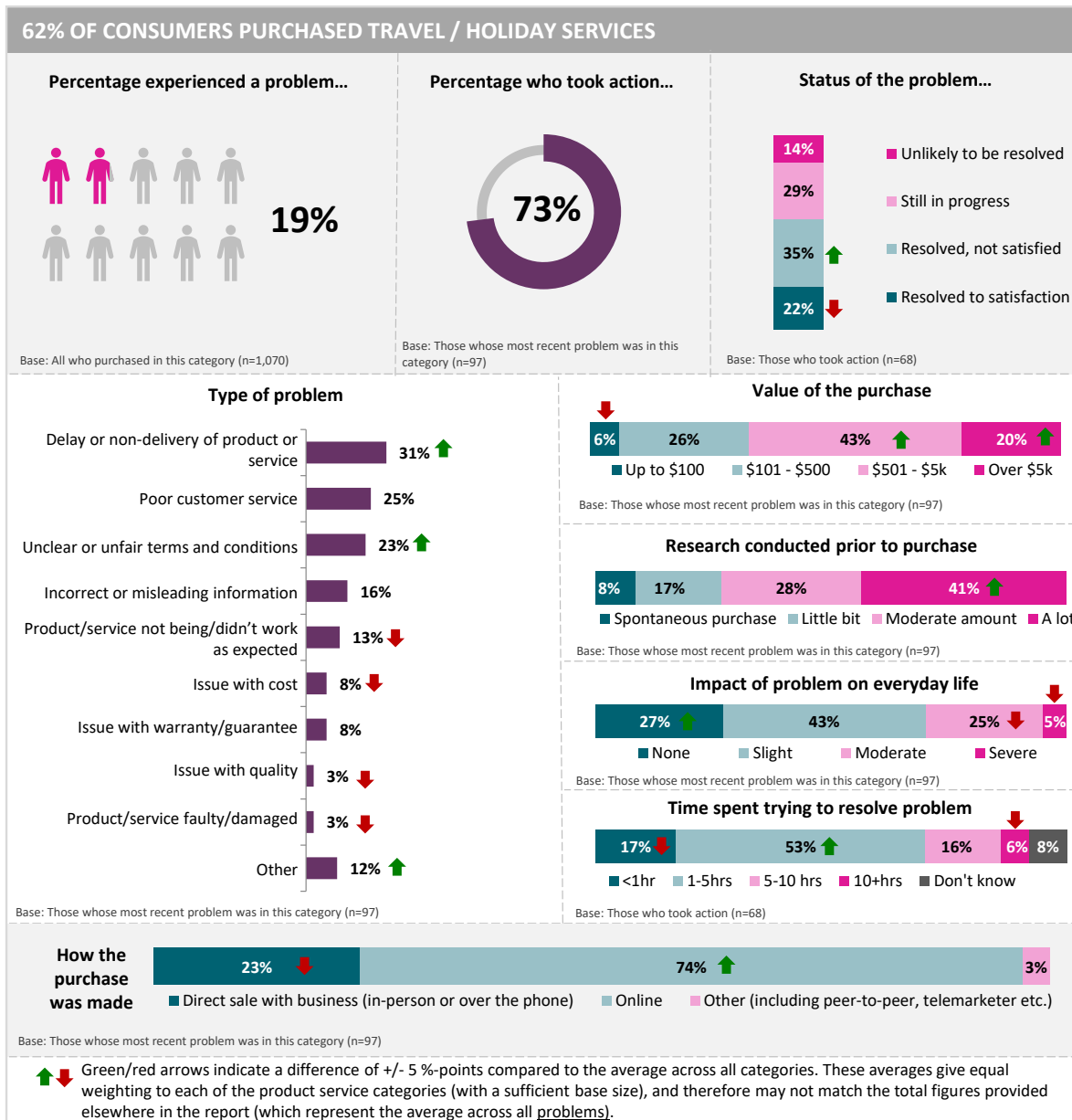
Consumers with low trust and confidence are more likely than average to experience problems with these services.

Problems in this category are more likely than average to relate to cost and unclear or unfair terms and conditions. They are also more likely than average to have a 'slight' impact on everyday life.

Those who experienced issues with mobile telecommunications services are more likely than average to say that they are 'resolved, but not to their satisfaction'.

# Travel or holiday services

Figure 42: Overview of problems with travel / holiday services



A fifth (19%) of consumers who purchased travel or holiday services in the past two years experienced a problem; in line with the 18% average for all categories but a lot more frequent than they were in 2018. These problems are more likely than average to have occurred as a result of COVID-19 and the lockdown.

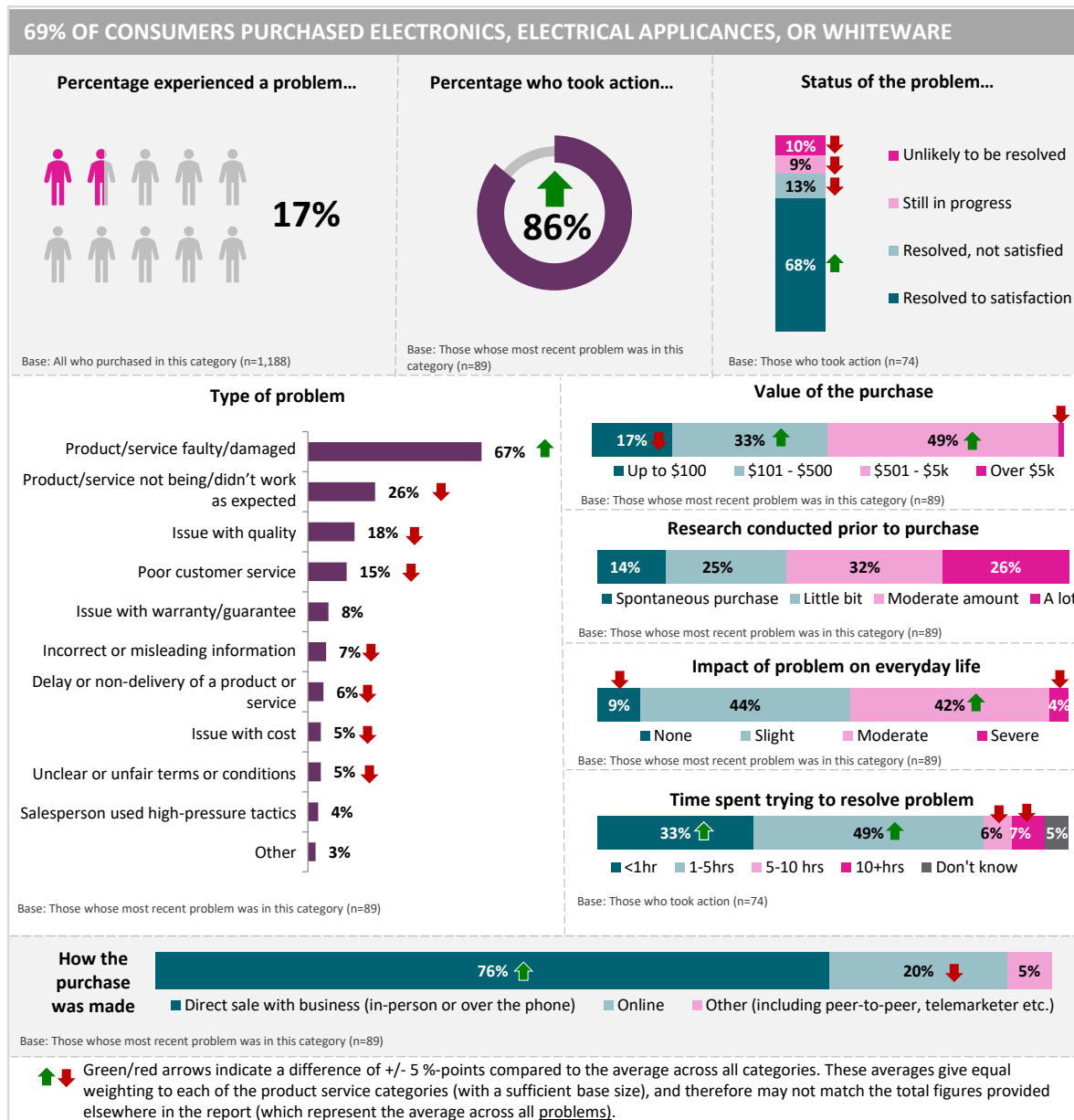
Consumers whose most recent problem related to travel or holiday services are more likely than average to say they did 'a lot' of research before making the purchase. Problems with travel or holiday services are more likely than average to include the non-delivery of the service. Unclear or unfair terms and conditions are also overrepresented in this category.

Those who experienced issues with travel or holiday services are more likely than average to say that they are 'resolved, but not to their satisfaction'. Consumers also are spending more time resolving issues in this category than before (53% spent 1-5 hours, compared to 49% in 2018).

Problem purchases in this sector are much more likely than average to have been made online.

# Electronics, electrical appliances, or whiteware

Figure 43: Overview of problems with electronics, electrical appliances, or whiteware



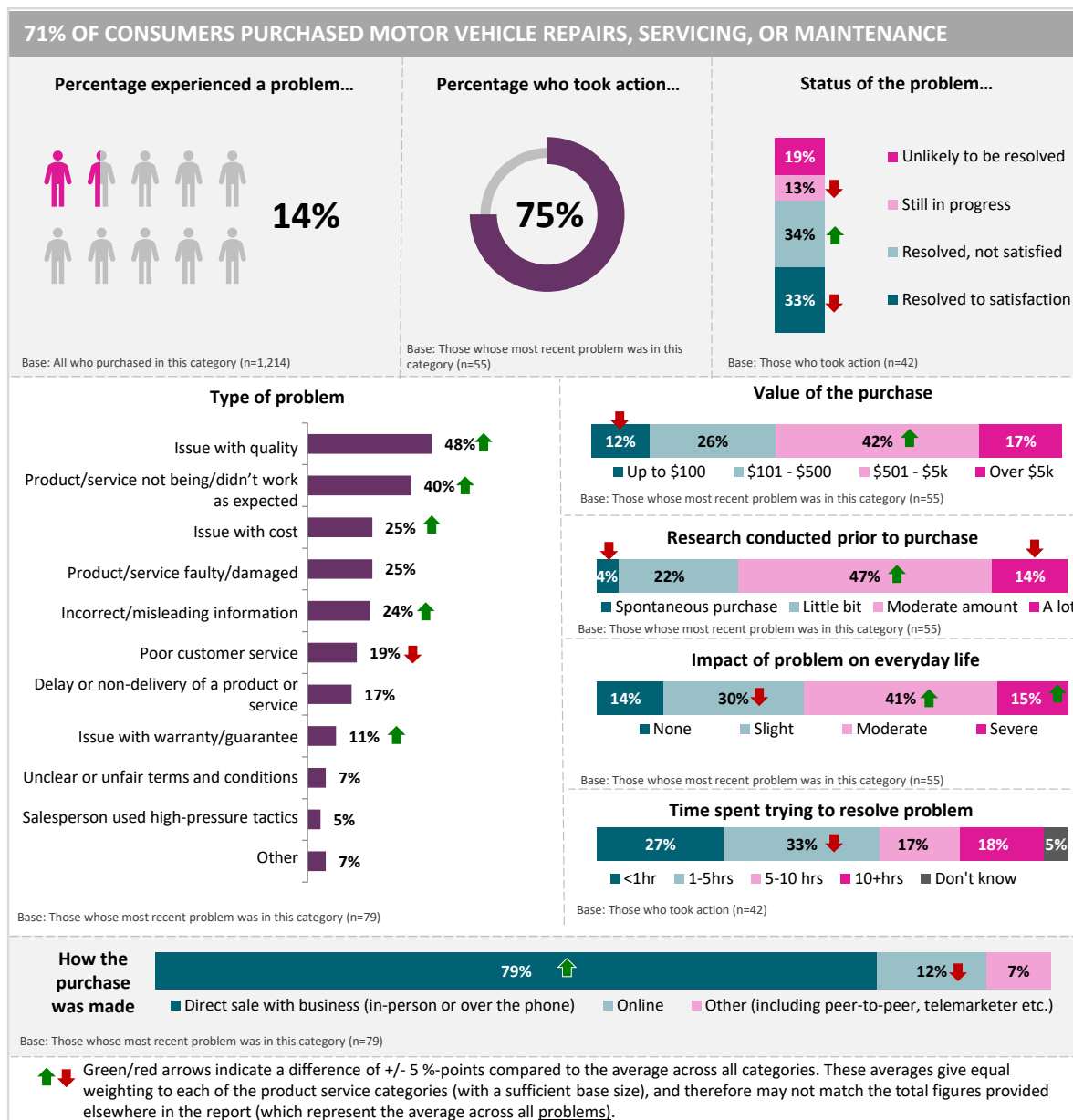
Seventeen percent of consumers who had purchased electronics, electrical appliances or whiteware in the past two years have experienced a problem. This is in line with the average for all categories.

The problem resolution journey is relatively successful in this category. Consumers are more likely than average to take action to resolve problems (86% of consumers who experienced a problem take action), and they are more likely than average to gain a satisfactory resolution (68% say their problem is resolved to their satisfaction - compared to 38% across all categories).

Problems in this category mainly relate to faulty or damaged products (67%, much higher than the average of 24%).

# Motor vehicle repairs, servicing, or maintenance

Figure 44: Overview of problems with motor vehicle repairs, servicing, or maintenance



The proportion of consumers who experience a problem with motor vehicle repairs, servicing, or maintenance is in line with the average.

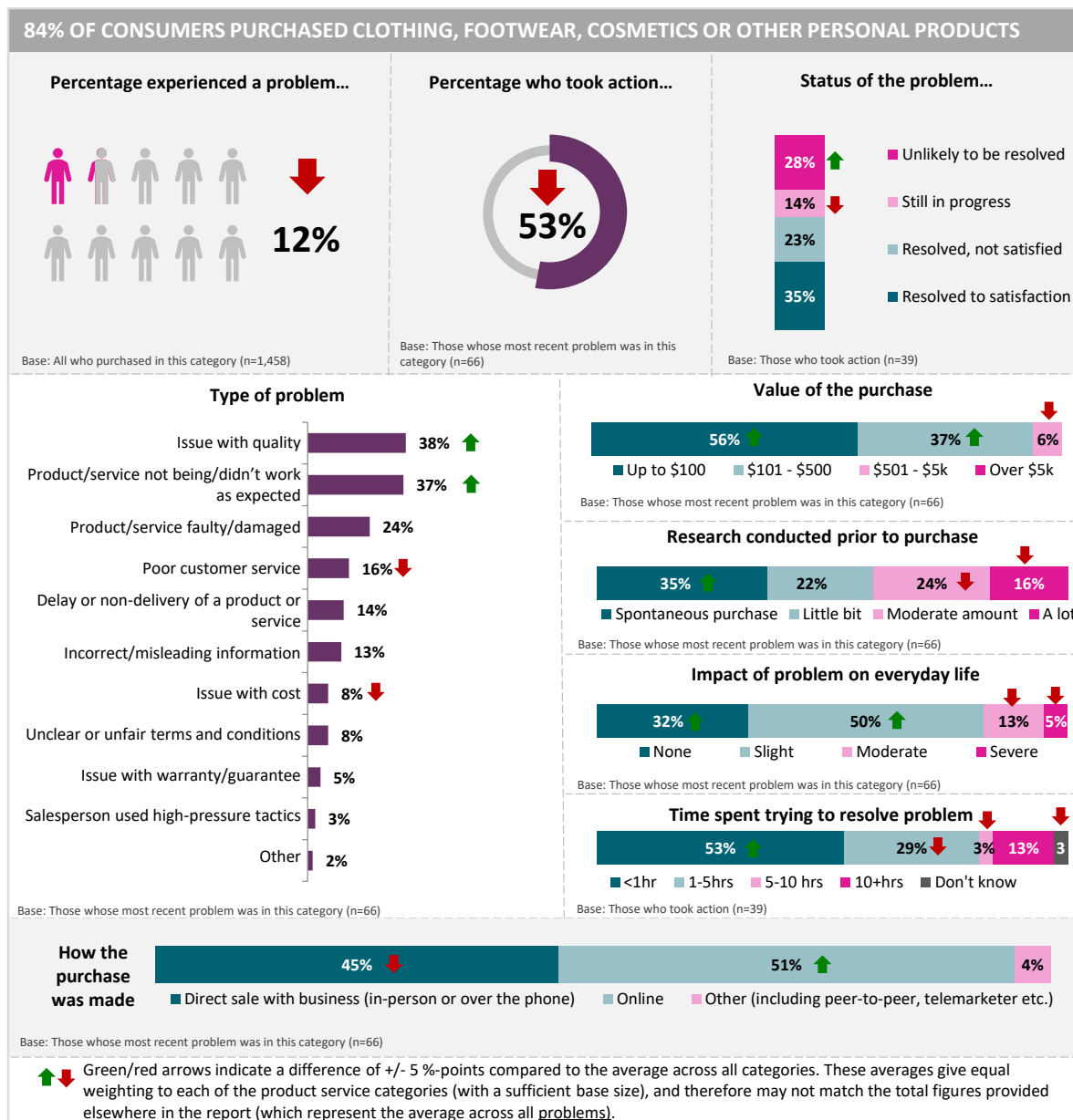
Consumers are just as likely as the average to take action on problems in this category (75% compared to 72% across all categories), but those who do are less likely than average to say their problem has been resolved to their satisfaction. They are more likely to say the problem has been resolved unsatisfactorily.

Problems with motor vehicle repairs are more likely than average to have at least a moderate impact on consumer's everyday lives.

There are a number of problems that are more likely to occur in this category than average. They include: issues with the quality of service, the product / service not being as expected, costs, incorrect information, and issues with the warranty / guarantee.

## Clothing, footwear, cosmetics or other personal products

Figure 45: Overview of problems with clothing, footwear, cosmetics or other personal products



The rate of problems with clothing, footwear, cosmetics or other personal products is lower than the average, and consumers are much less likely to take action. Consumers who do take action are more likely than average to say their problem is unlikely to be resolved. These purchases are also more likely than average to have been made online

Consumers who experience problems are more likely than average to say they made a spontaneous purchase or conducted only 'a little bit' of research. The value of these purchases is also more likely to be lower than the average (56% spent up to \$100 compared to 25% on average).

Problems within this category tend to be about quality (38%), or a product not being / working as expected (37%). Both issues are more common than average.

The problem journey is generally quicker for those who take action. Those who try to resolve their problem in this category are more likely than average to spend less than one hour dealing with it, and report that it had no impact on their everyday life.

# Problem summary chart

Figure 46: Overview of problems (average)<sup>8</sup>



<sup>8</sup> This average gives an equal weighting to all categories included in the problem summary tables. These averages may differ to the total results in the main body of the report.

## Problem summary tables

Percentages highlighted in **green** text are at least five percentage points higher than the category average, whereas those highlighted in **red** text are at least five percentage points lower.

### Key measures

| Measure                    | Category average <sup>9</sup> | Home-based telecommunications services | Building, repairs, renovations or maintenance on your home | Mobile telecommunications services | Travel / holiday services | Electronics, electrical appliances, or whiteware | Motor vehicle repairs, servicing, or maintenance | Clothing, footwear, cosmetics, or other personal products |
|----------------------------|-------------------------------|--|--|------------------------------------|---------------------------|--|--|---|
| % experiencing problems    | 18%                           | 27%                                    | 21%  | 19%                                | 19%                       | 17%  | 14%  | 12%   |
| % taking action            | 72%                           | 75%                                    | 71%  | 73%                                | 73%                       | 86%  | 75%  | 53%   |
| % resolved to satisfaction | 38%                           | 51%                                    | 19%  | 39%                                | 22%                       | 68%  | 33%  | 35%   |

<sup>9</sup> This average gives an equal weighting to all categories included in the table. These averages may differ to the total results in the main body of the report.



## Reason for problem

| Measure   | Category average <sup>10</sup> | Home-based telecommunications services | Building, repairs, renovations or maintenance on your home | Mobile telecommunications services | Travel/holiday services | Electronics, electrical appliances, or whiteware | Motor vehicle repairs, servicing, or maintenance | Clothing, footwear, cosmetics, or other personal products |
|---|--------------------------------|--|--|------------------------------------|-------------------------|--|--|---|
| The product / service not being what you expected / didn't work as expected | 31%                            | 41%                                    | 28%  | 32%                                | 13%                     | 26%  | 40%  | 37%   |
| An issue with the quality of the product / service (e.g. poor workmanship)  | 27%                            | 26%                                    | 46%  | 8%                                 | 3%                      | 18%  | 48%  | 38%   |
| Poor customer service   | 26%                            | 36%                                    | 43%  | 30%                                | 25%                     | 15%  | 19%  | 16%   |
| The product / service being faulty / damaged                                | 24%                            | 19%                                    | 20%  | 9%                                 | 3%                      | 67%  | 25%  | 24%   |
| Delay or non-delivery of product or service                                 | 17%                            | 19%                                    | 25%  | 5%                                 | 31%                     | 6%   | 17%  | 14%   |
| Incorrect or misleading information provided                                | 16%                            | 23%                                    | 17%  | 13%                                | 16%                     | 7%   | 24%  | 13%   |
| The cost of the product / service (e.g. hidden fees or unexpected charges)  | 15%                            | 18%                                    | 12%  | 27%                                | 8%                      | 5%   | 25%  | 8%  |
| Unclear or unfair terms and conditions                                      | 11%                            | 9%                                     | 3%   | 24%                                | 23%                     | 5%   | 7%   | 8%  |
| Problems with the warranty or guarantee                                     | 6%                             | 2%                                     | 3%   | -                                  | 8%                      | 8%   | 11%  | 5%  |
| The salesperson used high-pressure sales tactics                            | 4%                             | 3%                                     | -  | 3%                                 | -                       | 4%   | 5%   | 3%  |

<sup>10</sup> This average gives an equal weighting to all categories included in the table. These averages may differ to the total results in the main body of the report.

## Value of purchase

| Measure             | Category average <sup>11</sup> | Home-based telecommunications services | Building, repairs, renovations or maintenance on your home | Mobile telecommunications services | Travel / holiday services | Electronics, electrical appliances, or whiteware | Motor vehicle repairs, servicing, or maintenance | Clothing, footwear, cosmetics, or other personal products |
|---------------------|--------------------------------|--|--|------------------------------------|---------------------------|--|--|---|
| Up to \$50          | 11%                            | 7%                                     | -  | 18%                                | 2%                        | 10%  | 4%   | 35%   |
| \$51 to \$100       | 14%                            | 30%                                    | 8%   | 21%                                | 4%                        | 7%   | 8%   | 21%   |
| \$101 to \$500      | 27%                            | 31%                                    | 6%   | 29%                                | 26%                       | 33%  | 26%  | 37%   |
| \$501 to \$1,000    | 14%                            | 9%                                     | 2%   | 13%                                | 16%                       | 30%  | 20%  | 6%  |
| \$1,001 to \$5,000  | 16%                            | 9%                                     | 24%  | 11%                                | 27%                       | 19%  | 22%  | -   |
| \$5,001 to \$10,000 | 5%                             | *                                      | 15%  | -                                  | 12%                       | 1%   | 6%   | -   |
| More than \$10,000  | 9%                             | 1%                                     | 40%  | -                                  | 8%                        | -  | 11%  | -   |

<sup>11</sup> This average gives an equal weighting to all categories included in the table. These averages may differ to the total results in the main body of the report.

## Research prior to purchase

| Measure              | Category average <sup>12</sup> | Home-based telecommunications services | Building, repairs, renovations or maintenance on your home | Mobile telecommunications services | Travel / holiday services | Electronics, electrical appliances, or whiteware | Motor vehicle repairs, servicing, or maintenance | Clothing, footwear, cosmetics, or other personal products |
|----------------------|--------------------------------|--|--|------------------------------------|---------------------------|--|--|---|
| Spontaneous purchase | 11%                            | 5%                                     | 3%   | 8%                                 | 8%                        | 14%  | 4%   | 35%   |
| Little bit           | 21%                            | 21%                                    | 11%  | 30%                                | 17%                       | 25%  | 22%  | 22%   |
| Moderate amount      | 31%                            | 33%                                    | 27%  | 24%                                | 28%                       | 32%  | 47%  | 24%   |
| A lot                | 28%                            | 28%                                    | 37%  | 34%                                | 41%                       | 26%  | 14%  | 16%   |

<sup>12</sup> This average gives an equal weighting to all categories included in the table. These averages may differ to the total results in the main body of the report.

## Impact of the problem

| Measure  | Category average <sup>13</sup> | Home-based telecommunications services | Building, repairs, renovations or maintenance on your home | Mobile telecommunications services | Travel / holiday services | Electronics, electrical appliances, or whiteware | Motor vehicle repairs, servicing, or maintenance | Clothing, footwear, cosmetics, or other personal products |
|----------|--------------------------------|--|--|------------------------------------|---------------------------|--|--|---|
| None     | 15%                            | 7%                                     | 7%   | 7%                                 | 27%                       | 9%   | 14%  | 32%   |
| Slight   | 44%                            | 37%                                    | 38%  | 68%                                | 43%                       | 44%  | 30%  | 50%   |
| Moderate | 30%                            | 42%                                    | 34%  | 12%                                | 25%                       | 42%  | 41%  | 13%   |
| Severe   | 10%                            | 11%                                    | 21%  | 11%                                | 5%                        | 4%   | 15%  | 5%  |

<sup>13</sup> This average gives an equal weighting to all categories included in the table. These averages may differ to the total results in the main body of the report.

## Time spent dealing with the problem

| Measure            | Category average <sup>14</sup> | Home-based telecommunications services | Building, repairs, renovations or maintenance on your home | Mobile telecommunications services | Travel / holiday services | Electronics, electronic appliances, or whiteware | Motor vehicle repairs, servicing, or maintenance | Clothing, footwear, cosmetics, or other personal products |
|--------------------|--------------------------------|--|--|------------------------------------|---------------------------|--|--|---|
| Less than 1 hour   | 24%                            | 9%                                     | 6%   | 23%                                | 17%                       | 33%  | 27%  | 53%   |
| 1-5 hours          | 38%                            | 26%                                    | 38%  | 40%                                | 53%                       | 49%  | 33%  | 29%   |
| 5-10 hours         | 14%                            | 26%                                    | 18%  | 14%                                | 16%                       | 6%   | 17%  | 3%  |
| More than 10 hours | 15%                            | 29%                                    | 19%  | 12%                                | 6%                        | 7%   | 18%  | 13%   |

<sup>14</sup> This average gives an equal weighting to all categories included in the table. These averages may differ to the total results in the main body of the report.

## Purchase method

| Measure              | Category average <sup>15</sup> | Home-based telecommunications services | Building, repairs, renovations or maintenance on your home | Mobile telecommunications services | Travel / holiday services | Electronics, electrical appliances, or whiteware | Motor vehicle repairs, servicing, or maintenance | Clothing, footwear, cosmetics, or other personal products |
|----------------------|--------------------------------|--|--|------------------------------------|---------------------------|--|--|---|
| Through the business | 60%                            | 56%                                    | 83%  | 58%                                | 23%                       | 76%  | 79%  | 45%   |
| Online               | 32%                            | 21%                                    | 10%  | 33%                                | 74%                       | 20%  | 12%  | 51%   |
| Other                | 7%                             | 20%                                    | 4%   | 6%                                 | 3%                        | 5%   | 7%   | 4%  |

<sup>15</sup> This average gives an equal weighting to all categories included in the table. These averages may differ to the total results in the main body of the report.

A large, white, sans-serif capital letter 'A' is centered on the page. The background is a dark teal color with several overlapping, lighter teal circular shapes of varying sizes, creating a layered, abstract design.

Appendices

# NEW ZEALAND CONSUMER SURVEY 2020

## DO YOU FEEL PROTECTED AS A CONSUMER?

### RESPONDENT IDENTIFICATION NUMBER:

Please clearly write your five digit SURVEY CODE in the box on the right. This can be found on the cover letter in the right hand box.

THANK YOU FOR AGREEING TO TAKE PART IN THIS SURVEY. YOUR RESPONSES WILL BE VERY IMPORTANT FOR HELPING THE GOVERNMENT BETTER PROTECT CONSUMERS IN NEW ZEALAND.

Once you have completed the survey please return it to Colmar Brunton in the freepost envelope provided (no stamp is required). Fill in the back page to enter our prize draw for a top prize of \$500 and five further prizes of \$100.

**Consumer Protection**



MINISTRY OF BUSINESS,  
INNOVATION & EMPLOYMENT  
HĪKINA WHAKATUTUKI



COLMAR BRUNTON  
A Kantar Company

### INSTRUCTIONS

Some questions require you to tick only one answer, whilst for others you should tick all the answers that apply.

Circles indicate that you should **tick only one answer**.

- 1  Yes  
2  No

Squares indicate that you should **tick all that apply**.

- 1  Blue  
2  Red  
3  Green  
4  Yellow

### START HERE

#### SECTION 1 YOUR RIGHTS AND CONFIDENCE AS A CONSUMER

Firstly, we want to find out how much you know about your consumer rights and how confident you are when purchasing products and services.

**Q1** Before today, were you **aware** that New Zealand laws exist to protect basic consumer rights when purchasing products or services?

- 1  Yes  
2  No

**Q2** How much do you feel you know about your rights as a consumer?

- 1  I know a lot about my rights as a consumer  
2  I know a moderate amount about my rights  
3  I know a little bit about my rights  
4  I don't know anything at all about my rights

**Q3** The following laws relate to the rights of consumers and the responsibilities that businesses must meet when dealing with consumers. Please **rate your understanding** of what these laws mean for you as a consumer:

Please tick one answer for each law  
(only use 1–5 scale if you have heard of it)

#### 1) Consumer Guarantees Act (CGA)

- I have never heard of this law before  | I have heard of this law but I don't know what it means  | I have a moderate understanding of this law  | I have a very good understanding of this law
- 1  2  3  4  5

#### 2) Fair Trading Act (FTA)

- I have never heard of this law before  | I have heard of this law but I don't know what it means  | I have a moderate understanding of this law  | I have a very good understanding of this law
- 1  2  3  4  5

#### 3) Credit Contracts and Consumer Finance Act (CCCFA)

- I have never heard of this law before  | I have heard of this law but I don't know what it means  | I have a moderate understanding of this law  | I have a very good understanding of this law
- 1  2  3  4  5

#### 4) Commerce Act

- I have never heard of this law before  | I have heard of this law but I don't know what it means  | I have a moderate understanding of this law  | I have a very good understanding of this law
- 1  2  3  4  5



# NEW ZEALAND CONSUMER SURVEY 2020

## DO YOU FEEL PROTECTED AS A CONSUMER?

**Q4** Before today, were you aware that the following organisations provide **consumer information and advice**?

- |   |                                |                               |
|---|--------------------------------|-------------------------------|
| 1) Consumer Protection, Ministry of Business, Innovation and Employment | Yes<br>1 <input type="radio"/> | No<br>2 <input type="radio"/> |
| 2) Commerce Commission  | Yes<br>1 <input type="radio"/> | No<br>2 <input type="radio"/> |
| 3) Consumer NZ  | Yes<br>1 <input type="radio"/> | No<br>2 <input type="radio"/> |
| 4) Citizens Advice Bureau   | Yes<br>1 <input type="radio"/> | No<br>2 <input type="radio"/> |
| 5) Community Law Centre   | Yes<br>1 <input type="radio"/> | No<br>2 <input type="radio"/> |

**Q5** And in the past two years, have you personally used these organisations to seek **consumer information and advice**?

- |   |                                 |                                     |
|---|---------------------------------|-------------------------------------|
| 1) Consumer Protection, Ministry of Business, Innovation and Employment | Used<br>1 <input type="radio"/> | Not used<br>2 <input type="radio"/> |
| 2) Commerce Commission  | Used<br>1 <input type="radio"/> | Not used<br>2 <input type="radio"/> |
| 3) Consumer NZ  | Used<br>1 <input type="radio"/> | Not used<br>2 <input type="radio"/> |
| 4) Citizens Advice Bureau   | Used<br>1 <input type="radio"/> | Not used<br>2 <input type="radio"/> |
| 5) Community Law Centre   | Used<br>1 <input type="radio"/> | Not used<br>2 <input type="radio"/> |

**Q6** Here are some examples of situations that you might face when purchasing products or services. Please indicate whether you think the following statements are true or false, or if you don't know.

**Please tick only one for each**

- 1) If you buy something on sale at a discounted price and then you find it's faulty – the shopkeeper has to replace, refund or repair it.
- |                                 |                                  |                                       |
|---------------------------------|----------------------------------|---------------------------------------|
| True<br>1 <input type="radio"/> | False<br>2 <input type="radio"/> | Don't know<br>3 <input type="radio"/> |
|---------------------------------|----------------------------------|---------------------------------------|

*Continued in the next column*

- 2) If your fridge breaks down a month or so after the manufacturer's 12 month warranty has run out, the store still has to sort it free of charge.
- |                                 |                                  |                                       |
|---------------------------------|----------------------------------|---------------------------------------|
| True<br>1 <input type="radio"/> | False<br>2 <input type="radio"/> | Don't know<br>3 <input type="radio"/> |
|---------------------------------|----------------------------------|---------------------------------------|
- 3) If you buy something secondhand from a private individual on TradeMe, you have the same rights and legal protections as if you were to buy the item from a physical shop.
- |                                 |                                  |                                       |
|---------------------------------|----------------------------------|---------------------------------------|
| True<br>1 <input type="radio"/> | False<br>2 <input type="radio"/> | Don't know<br>3 <input type="radio"/> |
|---------------------------------|----------------------------------|---------------------------------------|
- 4) If you get a call from an electricity company salesperson, and agree over the phone to switch to their service, you can change your mind and cancel within five working days of receiving a copy of the agreement.
- |                                 |                                  |                                       |
|---------------------------------|----------------------------------|---------------------------------------|
| True<br>1 <input type="radio"/> | False<br>2 <input type="radio"/> | Don't know<br>3 <input type="radio"/> |
|---------------------------------|----------------------------------|---------------------------------------|
- 5) If you buy a new car on credit from a dealer, they have up to five working days to provide you with all the required information about the contract.
- |                                 |                                  |                                       |
|---------------------------------|----------------------------------|---------------------------------------|
| True<br>1 <input type="radio"/> | False<br>2 <input type="radio"/> | Don't know<br>3 <input type="radio"/> |
|---------------------------------|----------------------------------|---------------------------------------|
- 6) If you take your car to a garage for repair and the mechanic does some extra work he / she thinks is necessary without asking you first, you still have to pay for that work.
- |                                 |                                  |                                       |
|---------------------------------|----------------------------------|---------------------------------------|
| True<br>1 <input type="radio"/> | False<br>2 <input type="radio"/> | Don't know<br>3 <input type="radio"/> |
|---------------------------------|----------------------------------|---------------------------------------|
- 7) If you take out a loan but suddenly lose your job and you let the lender know you are struggling to make repayments, the lender is required to consider changing the terms of your contract.
- |                                 |                                  |                                       |
|---------------------------------|----------------------------------|---------------------------------------|
| True<br>1 <input type="radio"/> | False<br>2 <input type="radio"/> | Don't know<br>3 <input type="radio"/> |
|---------------------------------|----------------------------------|---------------------------------------|
- 8) If you take out a loan and two days later you find a better interest rate elsewhere, you can then go and cancel your original loan agreement.
- |                                 |                                  |                                       |
|---------------------------------|----------------------------------|---------------------------------------|
| True<br>1 <input type="radio"/> | False<br>2 <input type="radio"/> | Don't know<br>3 <input type="radio"/> |
|---------------------------------|----------------------------------|---------------------------------------|
- 9) If you hire a moving service without agreeing to a rate, and then after the move receive an invoice three times higher than any competitor's rate you must pay the full invoiced amount as the service has already been carried out.
- |                                 |                                  |                                       |
|---------------------------------|----------------------------------|---------------------------------------|
| True<br>1 <input type="radio"/> | False<br>2 <input type="radio"/> | Don't know<br>3 <input type="radio"/> |
|---------------------------------|----------------------------------|---------------------------------------|
- 10) If you buy something online from a website that ends .co.nz, you know you are buying from a New Zealand-based business.
- |                                 |                                  |                                       |
|---------------------------------|----------------------------------|---------------------------------------|
| True<br>1 <input type="radio"/> | False<br>2 <input type="radio"/> | Don't know<br>3 <input type="radio"/> |
|---------------------------------|----------------------------------|---------------------------------------|

Q7

Thinking about the types of information that you might see or consider before purchasing a product or service, how often do the following apply to you?

Please tick only one for each

1) I trust the information given to me by salespeople is fair and accurate.

Never Occasionally Sometimes Most of the time Always Don't know

1  2  3  4  5  6

2) I seek out extra information, such as online reviews, recommendations from friends or reference checks, to check whether claims are true.

Never Occasionally Sometimes Most of the time Always Don't know

1  2  3  4  5  6

3) I look for endorsements such as star ratings, energy ratings, or trusted brand awards.

Never Occasionally Sometimes Most of the time Always Don't know

1  2  3  4  5  6

4) Knowing that a product meets an official New Zealand Standard affects my decision on what product to purchase.

Never Occasionally Sometimes Most of the time Always Don't know

1  2  3  4  5  6

5) Knowing that a business treats its workers fairly (eg. pays at least minimum wage, provides a safe workplace), affects my decision on where to purchase products / services.

Never Occasionally Sometimes Most of the time Always Don't know

1  2  3  4  5  6

6) I think about whether a product will be safe to use before purchasing it.

Never Occasionally Sometimes Most of the time Always Don't know

1  2  3  4  5  6

Q8

How much do you agree or disagree with each of the following statements?

Please tick only one for each

1) I am confident that I have enough information about my rights as a consumer when purchasing products or services.

Strongly disagree Disagree Neither Agree Strongly agree Don't know

1  2  3  4  5  6

Continued in the next column

2) I am concerned about the availability of fake and counterfeit products in New Zealand.

Strongly disagree Disagree Neither Agree Strongly agree Don't know

1  2  3  4  5  6

3) New Zealand has adequate laws to protect consumers from being misled or cheated by businesses.

Strongly disagree Disagree Neither Agree Strongly agree Don't know

1  2  3  4  5  6

4) Laws that prohibit businesses from misleading or deceiving consumers are adequately enforced.

Strongly disagree Disagree Neither Agree Strongly agree Don't know

1  2  3  4  5  6

5) Laws that prohibit businesses from fixing prices or other anti-competitive behaviour are adequately enforced.

Strongly disagree Disagree Neither Agree Strongly agree Don't know

1  2  3  4  5  6

6) There is adequate access to services that help to resolve disputes between consumers and businesses.

Strongly disagree Disagree Neither Agree Strongly agree Don't know

1  2  3  4  5  6

7) In New Zealand you can generally buy products and services and feel confident that businesses will do the right thing and not try to mislead or cheat you.

Strongly disagree Disagree Neither Agree Strongly agree Don't know

1  2  3  4  5  6

8) I am concerned about the security of my payment and personal information online.

Strongly disagree Disagree Neither Agree Strongly agree Don't know

1  2  3  4  5  5

9) I am concerned about the availability of unsafe products in New Zealand.

Strongly disagree Disagree Neither Agree Strongly agree Don't know

1  2  3  4  5  5

# NEW ZEALAND CONSUMER SURVEY 2020

## DO YOU FEEL PROTECTED AS A CONSUMER?

**Q9** Which, if any, of the following dispute resolution services were you aware of before today?

Please tick all that apply

- 1  Disputes Tribunal of New Zealand
- 2  Banking Ombudsman Scheme
- 3  Insurance and Financial Services Ombudsman Scheme (IFSO Scheme)
- 4  Financial Services Complaints Ltd (FSCL)
- 5  Financial Dispute Resolution Service (FDRS)
- 6  Utilities Disputes
- 7  Telecommunications Dispute Resolution (TDR)
- 8  Motor Vehicle Disputes Tribunal (MVDT)
- 9  I am not aware of any of the above

**Q10** How often, if at all, have you bought a product or service **online** in the last six months?

Please tick only one

- 1  At least several times every week
  - 2  About once every week
  - 3  2-3 times every month
  - 4  About once every month
  - 5  Less often than once every month
  - 6  Never
  - 7  Don't know
- Go to Q11 (from options 1-5)
- Go to Q12 (from options 6-7)

**Q11** How much do you feel you know about your rights as a consumer **when shopping online**?

Please tick only one

- Nothing at all      A little bit      A moderate amount      A lot
- 1       2       3       4

**Q12** Below we ask about your experience in purchasing products or services where you would be required to sign an agreement...

Please indicate which of the following you have done in the past **two years**.

Please tick only one for each

- 1) Bought an extended warranty.      Yes 1       No 2       Can't remember 3
  - 2) Bought something through Laybuy.      Yes 1       No 2       Can't remember 3
  - 3) Bought from a telemarketer or door-to-door salesperson.      Yes 1       No 2       Can't remember 3
  - 4) Entered into a credit contract, such as a loan, a new credit card, a new bank overdraft, or an agreement to pay something off over time.      Yes 1       No 2       Can't remember 3
- Go to Q13 (from Yes 1)
- Go to Q14 (from No 2 or Can't remember 3)

**Q13** Thinking about the **most recent** credit contract you entered, how much do you agree or disagree with each of the following statements.

Please tick only one for each

- 1) The lender adequately assisted me to make sure I was fully informed about the implications of the credit contract, including the terms, fees, and what might go wrong.
 

Strongly disagree 1       Disagree 2       Neither 3       Agree 4       Strongly agree 5       Don't know 6
- 2) I am confident the lender properly considered my income and expenses and assessed that my repayments were going to be affordable.
 

Strongly disagree 1       Disagree 2       Neither 3       Agree 4       Strongly agree 5       Don't know 6
- 3) I am confident I understood the agreement well enough to make an informed decision to enter it.
 

Strongly disagree 1       Disagree 2       Neither 3       Agree 4       Strongly agree 5       Don't know 6

## SECTION 2

### INCIDENCE AND FREQUENCY OF PROBLEMS

Q14

Have you experienced any problems with purchases you made in the **past two** years from any of the following product or service categories? These products or services could have been purchased in a physical retail store, online, over the phone or through a magazine, or they may be ongoing services that you make regular payments on or are subscribed to.

**Specifically, think about times when:**

- the information you were given about the product or service was misleading, or not true
- your legal rights as a consumer were not met
- you purchased a product or service that was faulty or did not deliver what you expected
- you felt deceived, pressured or unfairly treated

Please tick one only for each type of product or service

YES, I did purchase this product or service in the past 2 years and YES I have had a problem

YES, I did purchase this product or service in the past 2 years but I HAVE NOT had a problem

I have NOT purchased a product or service in this category in the past 2 years

Utility services, such as water, gas or electricity

1

1

1

Mobile telecommunications services, such as mobile voice, text or data

2

2

2

Home-based telecommunications services, such as landline phone or copper / fibre internet service

3

3

3

Insurance

4

4

4

Banking or financial products or services, such as bank accounts, debit cards, financial advice

5

5

5

Electronics, electrical appliances or whiteware

6

6

6

Non-electrical household products, such as furniture or cooking equipment

7

7

7

Motor vehicle (through a car dealer)

8

8

8

Motor vehicle (from a private seller)

9

9

9

Motor vehicle repairs, servicing or maintenance

10

10

10

Building, repairs, renovations or maintenance on your home

11

11

11

Travel / holiday services, such as travel agents, flights, car hire, tours, or accommodation

12

12

12

Clothing, footwear, cosmetics or other personal products

13

13

13

Health or medical products and services

14

14

14

Entertainment, recreation or leisure activities, such as gym memberships, movies, or tickets for events

15

15

15

Buying or selling real estate or property management services

16

16

16

Other (please tell us)

17

17

17

Now please go to the following:

If you ticked any of the above, please answer Section 3 (Q15) over the page (questions in pink boxes).

Otherwise, if you have not had any problems in the past two years, go to Section 4 (Q33).

# NEW ZEALAND CONSUMER SURVEY 2020

## DO YOU FEEL PROTECTED AS A CONSUMER?

### SECTION 3 PROBLEM RESOLUTION EXPERIENCE

**Q15** Please tell us the type of product or service you **most recently** had a problem with.

Please tick only one

- 1  Utility services, such as water, gas or electricity
- 2  Mobile telecommunications services, such as mobile voice, text or data
- 3  Home-based telecommunications services, such as landline phone or copper / fibre internet service
- 4  Insurance
- 5  Banking or financial products or services, such as bank accounts, debit cards, financial advice
- 6  Electronics, electrical appliances or whiteware
- 7  Non-electrical household products, such as furniture or cooking equipment
- 8  Motor vehicle (through a car dealer)
- 9  Motor vehicle (from a private seller)
- 10  Motor vehicle repairs, servicing or maintenance
- 11  Building, repairs, renovations or maintenance on your home
- 12  Travel / holiday services, such as travel agents, flights, car hire, tours, or accommodation
- 13  Clothing, footwear, cosmetics or other personal products
- 14  Health or medical products and services
- 15  Entertainment, recreation or leisure activities, such as gym memberships, movies, or tickets for events
- 16  Buying or selling real estate or property management services
- 17  Other (please tell us)

**Q16** Was this problem related to...?

Please tick all that apply

- 1  The product / service not being what you expected / didn't work as expected
- 2  The product / service being faulty / damaged
- 3  An issue with the quality of the product / service (eg. poor workmanship)
- 4  The cost of the product / service (eg. hidden fees or unexpected charges)
- 5  Delay or non-delivery of product or service
- 6  Incorrect or misleading information provided
- 7  Unclear or unfair terms and conditions
- 8  Problems with the warranty or guarantee
- 9  Poor customer service
- 10  The salesperson used high-pressure sales tactics
- 11  Other (please tell us)

**Q17** How did COVID-19 and the lockdowns impact your most recent problem?

- 1  COVID-19 / lockdowns caused the problem
- 2  COVID-19 / lockdowns did not cause the problem but made it worse
- 3  COVID-19 / lockdowns had no impact on the problem
- 4  Can't remember
- 5  Don't know

**Q18** And thinking back to when you purchased this product or service, would you say...?

- 1  You made a spontaneous purchase
- 2  You did a little bit of research on the product / service before purchasing
- 3  You did a moderate amount of research on the product / service before purchasing
- 4  You did a lot of research on the product / service before purchasing
- 5  Can't remember

**Q19** Thinking about your most recent problem with a product or service, how was this purchase made?

**Please tick only one**

- 1  In person, at a shop (eg. retail store, department store, etc.)
- 2  You called the business to arrange the purchase or service
- 3  Online, directly from a New Zealand retailer, booking site, deal site or marketplace (eg. Air New Zealand, Noel Leeming, Trade me, GrabOne)
- 4  Online, directly from an overseas retailer, booking site, deal site or marketplace (eg. ASOS, Book Depository, Expedia, Ebay)
- 5  Through a peer-to-peer process (eg. Uber, AirBnB)
- 6  A telemarketer called you
- 7  A door-to-door salesperson came to your home
- 8  Other (please tell us)

**Q20** What was the approximate value of the product or service purchased?

(If the service involved an ongoing subscription or payment please tell us the approximate value you pay per month)

- 1  Under \$50
- 2  \$51 to \$100
- 3  \$101 to \$500
- 4  \$501 to \$1,000
- 5  \$1,001 to \$5,000
- 6  \$5,001 to \$10,000
- 7  More than \$10,000
- 8  Don't know / can't remember

**Q21** And how did you pay for the product or service?

**Please tick only one**

- 1  In cash
- 2  EFTPOS / debit card / credit card
- 3  Buy-now-pay-later scheme, such as Afterpay, Zip, Oxipay, Laybuy, or GenoaPay
- 4  Store card (e.g., a Q Card, a Farmers Card)
- 5  Purchased on finance or credit sale (e.g., hire-purchase)
- 6  Don't know / can't remember

**Q22** How much of an impact did the problem have on your everyday life?

- | None                    | Slight                  | Moderate                | Severe                  |
|-------------------------|-------------------------|-------------------------|-------------------------|
| 1 <input type="radio"/> | 2 <input type="radio"/> | 3 <input type="radio"/> | 4 <input type="radio"/> |

# NEW ZEALAND CONSUMER SURVEY 2020

## DO YOU FEEL PROTECTED AS A CONSUMER?

**Q23** Did you take any action to resolve your most recent problem?

- 1  Yes → Go to Q25
- 2  No → Go to Q24

**Q24** Why didn't you take any action to resolve the problem?

**Please tick all that apply**

- 1  I did not have time
- 2  I was unsure where to go for advice
- 3  I was unsure what action to take
- 4  I couldn't be bothered
- 5  The product or service was not worth enough money for me to care
- 6  It would have cost more money to resolve
- 7  I had a feeling that something was wrong but I wasn't sure if it was actually a legal issue
- 8  I didn't want to jeopardise my relationship with the supplier
- 9  I did not feel confident that doing anything would resolve the issue
- 10  I was nervous or did not feel confident in dealing with it myself
- 11  Other (please tell us)

If you ticked no at Q23 (and you have answered Q24) please now go to Section 4 (Q33).

The following questions relate to the steps you took to try and resolve the most recent problem with the product / service you identified in question 15.

**Q25** Which of the following steps did you take to try and resolve your most recent problem?

**Please tick 'yes' or 'no' for each step**

- |  | Yes                     | No                      |
|--|-------------------------|-------------------------|
| I contacted the business directly  | 1 <input type="radio"/> | 2 <input type="radio"/> |
| I sought information or advice about consumer rights                     | 1 <input type="radio"/> | 2 <input type="radio"/> |
| I consulted with friends or family about what to do                      | 1 <input type="radio"/> | 2 <input type="radio"/> |
| I contacted a dispute resolution service                                 | 1 <input type="radio"/> | 2 <input type="radio"/> |
| I contacted the manufacturer / distributor (if different from supplier)  | 1 <input type="radio"/> | 2 <input type="radio"/> |
| I left a review or comment on a website / social media                   | 1 <input type="radio"/> | 2 <input type="radio"/> |
| I laid a complaint with an enforcement agency or government organisation | 1 <input type="radio"/> | 2 <input type="radio"/> |

**Q26** And if you took more than one step to try and resolve your most recent problem, which step did you take first?

**Please tick only one**

- 1  Not applicable – I only took one step
- 2  I contacted the business directly
- 3  I sought information or advice about consumer rights
- 4  I consulted with friends or family about what to do
- 5  I contacted a dispute resolution service
- 6  I contacted the manufacturer / distributor (if different from supplier)
- 7  I left a review or comment on a website / social media
- 8  I laid a complaint with an enforcement agency or government organisation
- 9  Other (please tell us)
- 10  Can't remember

**Q27** If, at any time, you sought information or advice about your consumer rights, where did you go?

Please tick all that apply

- 1  I didn't seek information or advice about my consumer rights
- 2  Consumer Protection, Ministry of Business, Innovation and Employment
- 3  Commerce Commission
- 4  Citizens Advice Bureau
- 5  Consumer NZ
- 6  Community Law Centre
- 7  Friends or family
- 8  General internet search for information
- 9  Lawyer
- 10  Other (please tell us)

**Q28** Approximately how many hours have you and others on your behalf spent trying to resolve this problem?

- 1  Less than one hour
- 2  Between one and five hours
- 3  Between five and ten hours
- 4  More than ten hours
- 5  Don't know / Don't remember

**Q29** Is the problem...?

- 1  Resolved to your satisfaction
- 2  Resolved but not to your satisfaction
- 3  Still in the process of being resolved
- 4  Unlikely to be resolved

Go to Q30

Go to Q32

**Q30** How was your problem resolved, or how are you currently trying to resolve it?

Please tick only one

- 1  Directly with the business
- 2  Through a dispute resolution service or third party mediation
- 3  Through the Disputes Tribunal or a court
- 4  Through a lawyer
- 5  Other (please tell us)

**Q31** How easy was it to resolve your problem, or if you are currently trying to resolve it, how easy has the process been up till now?

- Not at all easy  Very easy
- 1   2   3   4   5

**Q32** We are interested in the reasons that people do not use dispute resolution services... Why did you **not** contact a dispute resolution service?

Please tick all that apply  
(If you **did** contact a dispute resolution service, tick the last option)

- 1  I resolved the problem directly with the business
- 2  I couldn't be bothered
- 3  I wanted to but didn't have the time
- 4  The product or service wasn't of significant value / wasn't worth the effort
- 5  I didn't know where to go / wasn't aware of a dispute resolution service that would handle my problem
- 6  I didn't know enough about the process
- 7  I don't like confrontations
- 8  I felt like there was a problem but didn't know if the business had actually done anything illegal
- 9  I didn't want to have a bad relationship with the business
- 10  Other (please tell us)
- 11  I **did** contact a dispute resolution service



# NEW ZEALAND CONSUMER SURVEY 2020

## DO YOU FEEL PROTECTED AS A CONSUMER?

### SECTION 4 DEMOGRAPHICS

Now we have some final questions to help ensure we have spoken to a broad range of people.

**Q33** Are you...

- 1  Male
- 2  Female
- 3  Another gender (please tell us)

**Q34** Which ethnic group do you belong to?

**Please tick all that apply**

- 1  New Zealand European
- 2  Māori
- 3  Samoan
- 4  Cook Island Māori
- 5  Tongan
- 6  Niuean
- 7  Another Pacific Island group (please tell us)

- 8  Chinese
- 9  Indian
- 10  Another Asian group (please tell us)

- 11  Another European group (please tell us)

- 12  Another ethnic group (please tell us)

- 13  Prefer not to say

**Q35** To the best of your knowledge, which of the following describes your annual **household income**, before tax?

- 1  Up to \$25,000
- 2  \$25,001 to \$50,000
- 3  \$50,001 to \$75,000
- 4  \$75,001 to \$100,000
- 5  \$100,001 to \$125,000
- 6  \$125,001 to \$150,000
- 7  More than \$150,000
- 8  Prefer not to say

**Q36** Which of the following **best** describes your current employment situation?

**Please tick only one**

- 1  Employed full-time
- 2  Employed part-time
- 3  Self-employed or running your own business
- 4  Voluntary or unpaid work
- 5  Looking after family
- 6  Claiming jobseeker support (formerly unemployment benefit)
- 7  Studying
- 8  Retirement
- 9  Something else (please tell us)

- 10  Prefer not to say

**Q37** Is English the main language you speak?

- 1  Yes
- 2  No, another language (please tell us)

**Q38** What is the highest level of education you have achieved?

- 1  Secondary school
- 2  Certificate or diploma level
- 3  Bachelor's degree
- 4  Postgraduate diploma or certificate
- 5  Postgraduate degree
- 6  Another level of education
- 7  Prefer not to say

### FINAL COMMENTS

**Q39** Do you have any other comments about your experiences as a consumer?

**Please write in the box below**

Continue in box in the next column

- 1  No further comments

Please fill in your contact details below so that we are able to contact you if you are one of the prize draw winners.

Your details will only be used to contact you regarding the prize draw. Colmar Brunton will not use this information for any other purpose.

**Name:**

**Telephone number:**

**Email:**

- 1  I don't want to be entered into the prize draw

*Thank you for taking  
the time to complete the survey.  
Your input is very much appreciated.*

**PLEASE CHECK THAT YOU HAVE COMPLETED ALL PAGES OF THE QUESTIONNAIRE.**

Please put the completed questionnaire in the freepost envelope provided or any envelope (no stamp required) and post it to:

**FREEPOST AUTHORITY NUMBER 6172**

**Colmar Brunton  
Po Box 6621  
Victoria Street West  
Auckland  
1142**

If you have any questions please contact Colmar Brunton on 0508 050 050 or [survey@colmarbrunton.co.nz](mailto:survey@colmarbrunton.co.nz)

**NEW ZEALAND CONSUMER SURVEY 2020  
PRIZE DRAW TERMS AND CONDITIONS OF ENTRY**

1. The prize draw is run by Colmar Brunton Ltd.
2. The promotional period runs from 1.01am Monday 2 November until 11.59pm Monday 14 December 2020 (Promotional Period).
3. To enter eligible respondents must complete and submit the survey by:
  - a) Filling out the online survey at <http://survey.colmarbrunton.co.nz/consumer> (using your survey code printed on the letter); OR
  - b) Returning a completed paper copy of the questionnaire to Colmar Brunton.

4. Employees or immediate family members of employees of Colmar Brunton will not be eligible for the prize draw.
5. The survey must be completed by the person to whom the letter is addressed.
6. Each person may complete this survey only once during the Promotional Period.
7. Winners will be randomly selected at the close of the Promotional period in a draw held by Colmar Brunton on Friday 18 December 2020. The selection of the prize winners is final.
8. This prize draw includes a top prize of \$500 and five further prizes of \$100.
9. The Promoter will post the first name and city of residence of the winner/s of the prize draw on the Colmar Brunton website [www.colmarbrunton.co.nz](http://www.colmarbrunton.co.nz).
10. The Promoter will make reasonable efforts to notify the winners that they have won. If for any reason the Promoter, having made reasonable efforts to make contact with an eligible winner, has failed to make contact with the winner within 3 months of the Promotional Period closing, the Promoter may, at its discretion:
  - a) deem that winner to have forfeited their right to the prize; and
  - b) select another eligible winner in accordance with these Terms and Conditions.
11. Any win that the Promoter reasonably suspects (in the Promoter's sole discretion) has involved or may involve fraud, bugs, tampering, hacking or any other unauthorised intervention will be null and void.
12. By participating in the prize draw, you agree to have your name published on the Colmar Brunton website in the case that you are a winner. Only first names and town / city of residence would be published.

# NEW ZEALAND CONSUMER SURVEY 2020

DO YOU FEEL PROTECTED AS A CONSUMER?

## Appendix B: Methodology

### Methodology

In 2016 and 2018 the survey was primarily a postal survey with respondents also having the option to go online to complete the survey. Respondents received three contacts. An initial mailing (including a paper copy of the questionnaire), a post-card reminder, and a final mailing with another paper copy of the questionnaire.

In 2020, following a review of the literature on sequential mixed-method, the decision was made to use a 'push-to-web' approach. This means that respondents are encouraged to complete the survey online, but with a paper copy made available in the third and final contact.

The advantages of push-to-web is that it ensures better data quality with a higher proportion of respondents completing the survey online. With paper questionnaires, respondent can miss questions or make mistakes such as providing two responses to a single code question. Push-to-web is also more cost-effective, and has less environmental impact, with a reduced need for printing paper copies.

Following the change to push-to-web, 77% of the responses were completed online, and 23% completed using paper copies. This compares to 81% completed on paper in 2018 and 19% online.

### Questionnaire design

The questionnaire was based on that used in the 2018 study but some changes were made to the 2020 questionnaire to reflect the changing environment (for example to include more questions on online purchasing, and the impact of COVID-19).

A copy of the questionnaire is provided in Appendix A.

### Sampling frame

The New Zealand Electoral Roll was used as the primary sampling frame.

A sample frame was drawn and potential respondents were sent a personalised hard copy letter with a New Zealand Consumer Survey letterhead (including the Colmar Brunton, Consumer Protection, and MBIE logos) that outlined the purpose of the survey and explained how to complete the survey online.

As an incentive to participation, respondents had the opportunity to enter a prize draw for six chances to win a cash prize, with a top prize of \$500 and five further prizes of \$100.

Those who had not completed the survey at each stage were sent first a reminder postcard, highlighting the prize draw and reiterating the survey was still open, then a questionnaire pack accompanied by a reminder letter.

The targeted sample size was 2,000 interviews.

Fieldwork was open from 2 November 2020 until 19 January 2021.

### **Response rate**

A total of 10,143 people were selected from the Electoral Roll and invited to participate in the survey (excluding those who could not participate in the survey due to death/having moved residence/no such address/living overseas). A total of 1,734 respondents completed the questionnaire. The response rate is 17%.

The overall response rate is slightly lower than the 19% achieved in the 2018 survey.

The target number of interviews (2,000) was not achieved due to lower than expected response rates amongst men aged 37-56 and older people aged 57+.

### **Weighting**

The results are weighted to be nationally representative of the New Zealand population. They are calculated using the updated census targets from 2018. This is in contrast to the 2016 and 2018 surveys which used the 2013 targets.

The push-to-web approach appears to have resulted in a more balanced sample by age-group with better representation of younger consumers and so less need for weighting to achieve a nationally representative sample of the New Zealand population

A sample profile is provided in Appendix C.

## Appendix C: Sample profile

|                       |                      | Counts for 2020    |                      | Percentages (weighted) |      |      |
|-----------------------|----------------------|--------------------|----------------------|------------------------|------|------|
|                       |                      | 2020<br>(weighted) | 2020<br>(unweighted) | 2020                   | 2018 | 2016 |
| Gender                | Male                 | 943                | 766                  | 53%                    | 48%  | 47%  |
|                       | Female               | 840                | 937                  | 47%                    | 52%  | 52%  |
| Age group             | 18-26                | 240                | 299                  | 13%                    | 16%  | 16%  |
|                       | 27-36                | 369                | 458                  | 21%                    | 16%  | 16%  |
|                       | 37-46                | 290                | 236                  | 16%                    | 18%  | 18%  |
|                       | 47-56                | 313                | 266                  | 17%                    | 18%  | 18%  |
|                       | 57-66                | 269                | 205                  | 15%                    | 15%  | 15%  |
|                       | 67 and over          | 316                | 265                  | 18%                    | 16%  | 16%  |
| Broad region          | Auckland             | 513                | 553                  | 29%                    | 29%  | 32%  |
|                       | Wellington           | 210                | 228                  | 12%                    | 12%  | 12%  |
|                       | Rest of North Island | 586                | 492                  | 33%                    | 32%  | 31%  |
|                       | Canterbury           | 230                | 242                  | 13%                    | 13%  | 12%  |
|                       | Otago                | 110                | 110                  | 6%                     | 6%   | 5%   |
|                       | Rest of South Island | 149                | 104                  | 8%                     | 8%   | 8%   |
| Ethnic identification | NZ European          | 1144               | 1258                 | 63%                    | 73%  | 72%  |
|                       | Māori                | 255                | 174                  | 14%                    | 11%  | 11%  |
|                       | Pacific Peoples      | 124                | 63                   | 7%                     | 6%   | 6%   |
|                       | Asian                | 311                | 139                  | 17%                    | 12%  | 12%  |
|                       | Other ethnicities    | 170                | 224                  | 9%                     | 8%   | 7%   |

|                         |                            | Counts for 2020    |                      | Percentages (weighted) |      |                |
|-------------------------|----------------------------|--------------------|----------------------|------------------------|------|----------------|
|                         |                            | 2020<br>(weighted) | 2020<br>(unweighted) | 2020                   | 2020 | 2016           |
| Annual household income | Up to \$25,000             | 195                | 178                  | 13%                    | 13%  | 16%            |
|                         | \$25,001 to \$50,000       | 299                | 264                  | 20%                    | 20%  | 22%            |
|                         | \$50,001 to \$75,000       | 285                | 264                  | 19%                    | 17%  | 18%            |
|                         | \$75,001 to \$100,000      | 207                | 208                  | 14%                    | 16%  | 16%            |
|                         | \$100,001 to \$125,000     | 185                | 182                  | 12%                    | 11%  | 11%            |
|                         | \$125,001 to \$150,000     | 124                | 113                  | 8%                     | 9%   | 16%            |
|                         | Over \$150,000             | 221                | 242                  | 15%                    | 15%  |                |
| Occupation              | Employed full-time         | 810                | 762                  | 49%                    | 44%  | 40%            |
|                         | Employed part-time         | 160                | 166                  | 10%                    | 12%  | 12%            |
|                         | Self-employed              | 158                | 160                  | 10%                    | 14%  | 13%            |
|                         | Voluntary work             | 8                  | 9                    | <1%                    | 1%   | -              |
|                         | Looking after family       | 71                 | 63                   | 4%                     | 4%   | 9%             |
|                         | Claiming jobseeker support | 47                 | 50                   | 3%                     | 2%   | Not comparable |
|                         | Studying                   | 125                | 126                  | 8%                     | 7%   | 8%             |
|                         | Retired                    | 284                | 245                  | 17%                    | 15%  | 15%            |

|                             |                        | Counts for 2020    |                      | Percentages (weighted) |      |      |
|-----------------------------|------------------------|--------------------|----------------------|------------------------|------|------|
|                             |                        | 2020<br>(weighted) | 2020<br>(unweighted) | 2020                   | 2018 | 2016 |
| Main language spoken        | English                | 1605               | 1573                 | 92%                    | 92%  | 92%  |
|                             | Other language         | 148                | 92                   | 8%                     | 8%   | 8%   |
| Highest education completed | Secondary school       | 522                | 481                  | 29%                    | 27%  | 34%  |
|                             | Certificate or diploma | 398                | 368                  | 22%                    | 23%  | 28%  |
|                             | Degree or higher       | 690                | 686                  | 38%                    | 41%  | 35%  |
|                             | Other                  | 192                | 199                  | 11%                    | 9%   | 3%   |





