

Tony's Take – Economic commentary from BNZ Chief Economist Tony Alexander

Consumer confidence levels in New Zealand are sitting at above average levels. Jobs growth is very strong and employers are struggling to find the many people that they want. These are a couple of things which can contribute to strong growth in consumer spending. Another one is rising house prices. If people feel more wealthy they tend to spend more. This effect however often gets overrated under the assumption that everyone thinks gains on paper are guaranteed, and not subject to quick reversal.

Nevertheless, in the regions, rapidly rising house prices will tend to support spending, and if this is so, then spending growth might be slowing in Auckland. Then again, there is migration to consider. Net flows are continuing at high levels but look set to ease slightly and this may sap some growth strength from Auckland. The general election coming up which some people believe can cause consumers and businesses to be cautious with their spending. Maybe, but it is hard to see such a tendency in the data. Overall the factors we look at suggest consumer spending growth in New Zealand generally is set to stay strong – pity about the margins however.

UnionPay Online Payments (UPOP)

We're excited to let you know that online merchants can soon take online payments from UnionPay International cardholders using our new UnionPay Online Payments (UPOP) product.

This can open up a whole new market for your business – with over 6.5 billion cards issued globally, UnionPay is one of the world's largest payment card schemes and the most recognisable payment method in China. Last year, New Zealand had over 400,000 Chinese visitors, and recent stats show that over 40% of global ecommerce spend comes from China.

Easy to implement through Payment Express

UPOP uses a hosted payment page enabled through the PXPAY2 ecommerce product provided by Payment Express. Your Payline online portal will enable you to manage your administration and reporting requirements, including processing refunds & authorisation completions. UPOP also has an extra layer of security with built in authentication of both the cardholder and card information via SecurePay (the UnionPay version of 3DSecure).

UPOP is coming soon

We're in the final stages of preparing UPOP for release to customers. We'll announce here in Retailer News when it's available.

Any questions?

If you have any questions about your merchant facility or need some help please contact our Merchant Helpdesk on **0800 737 774**, Option 4.