JUNE 2019

RETAILER NEWS

Keeping Retailers up to date

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

Interest rates are low and heading lower, population growth remains strong courtesy of newly rising net migration inflows, the government is loosening fiscal policy, the labour market is still tight, and house prices are rising virtually everywhere except Auckland. It seems to add up to a good picture for retailing. But evidence from the coalface is that people have become more cautious recently in their spending and this is adding to ongoing challenges from new entrants and product distribution methods across virtually all sections of the retailing sector.

One reason for the pullback in household spending may simply be the fact that people have been growing their spending at an unsustainable pace over the past four years and may simply be wanting to get their household finances back in more reasonable order. It also has to be realised that spending on large durable items like whiteware can move in big cycles and this most recent surge seems to have passed its peak some time back.

In addition, helping to explain some spending pullback is the near cessation of growth in the number of people visiting New Zealand. The tourism sector has experienced a boom over the past five years which caught most people by surprise. Now a lull seems to have set in.

So, for now it would seem to be a good idea to play things from the cautious side, perhaps continuing to do so until the 2021 boost in general sentiment which may accompany the America's Cup plus large Asia-Pacific Economic Cooperation (APEC) meeting in Auckland.

Fraudsters targeting weaknesses on your websites

With the growth of online services, shopping and payments, there are also increased opportunities for criminals to commit scams and fraud. When transacting with you, your customers expect you to keep their information safe.

In a previous edition of Retailer News, we asked the question of whether your service providers (who are responsible for keeping your website software up-to-date) patch your website frequently, as per their patching schedule and patching policy? We understand that it is not always easy to have a quality conversation with your service providers when you do not have much information on hand about potential website vulnerabilities that could result in your website getting hacked.

The great news is that there is a free website security check at **https://webscan.foregenix.com/** which may assist you with identifying potential security concerns, to raise with your service provider to make sure that you have strong security controls in place.

If you suspect a data breach, please contact us immediately and our team will assist you through the required procedures to protect your business and your customers.

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**.

Full details, our current Disclosure Statement and Qualifying Financial Entity Disclosure statement may be obtained free of charge from any BNZ store, Partners Centre, or bnz.co.nz.
Any views expressed in this article are the views of Tony Alexander and do not necessarily represent those of BNZ, or its related entities. The information is provided for general information purposes only, and is a summary based on selective information which may not be complete for your purpose.