

October 2019

RETAILER NEWS

Keeping Retailers up to date

Economic update from Craig Ebert, Markets Economist, BNZ

Growth in retail spending has slowed to a moderate pace. While there is much to hold it up, the industry is also facing a few challenges.

Starting with the positives, population growth is still running relatively high, at around 1.6% per annum. Ongoing jumps in the minimum wage, and various public-sector pay awards, are adding to wage inflation (even if employment growth approaching its limits). Good for many types of retail spending, home-building activity is strong (but might struggle to expand much further, because of capacity constraints).

And there is obviously a bit of Rugby World Cup related spending to keep in mind for the next month or two, as well as from yachting's America's Cup in Auckland in the New Year.

However, we don't see any evidence that the ongoing drops in interest rates are providing a boost to household expenditure. Some are expressing worry about why interest rates have to be falling so much, indicating increased saving rather than spending. Consumer confidence is now barely average.

International tourist arrivals are something else to think about, given the slowing world economy. There are no alarming trends at present, although growth in arrivals has slowed to not much and is becoming very patchy in its details.

Change to UnionPay International merchant service fee

We are pleased to let you know that effective from 1 October 2019, the maximum merchant service fee charged on UnionPay International transactions will be 1.55%.

With UnionPay International on your EFTPOS terminal or website you can accept payments from visitors from China (and 24 other countries). UnionPay International is the main card carried by visitors from China, one of our largest and fastest growing visitor markets.

This is not a fee increase for any merchant and the new rate will be reflected on your October merchant statement.

If you require more information, please phone 0800 737 774

Magento Community Edition upgrade

Merchants that are using Magento Community Edition version 2.1.6 and below, please get in touch with your service providers to upgrade to 2.1.7 the latest version immediately in order to prevent cyber-attacks to your website.

There is a free website security check at <https://webscan.foregenix.com/> which may help you with identifying potential security concerns to raise with your service provider to make sure that you have strong security controls in place.

What do I do when I suspect a data breach?

Please contact us immediately and our team will help you through the required procedures to protect your business and your customers.

Did you find this useful?

We are keen to hear your feedback which you can email to PCIDSS@bnz.co.nz

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 Craig Ebert 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.