7 WAYS TO KEEP NZ CHRISTMAS PROMOTIONS COMPLIANT

Christmas sales often come with big discounts, delivery promises and special returns policies. Under the *Fair Trading Act 1986*, businesses must ensure these claims are accurate and not misleading. The Commerce Commission monitors these practices, and breaches can result in fines of up to $600,000 for companies. Before launching your Christmas promotions, use these seven checks to help protect your business.

CONTACT US

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1. DISCOUNTS AND 'WAS' PRICES

- For was/now pricing, ensure you genuinely charged the 'was' price for a reasonable period before the sale.
- If you routinely sell at the sale price, that price becomes your usual selling price.

2. URGENCY AND LIMITED STOCK

- Only advertise end dates and countdown timers you will stick to.
- Hold enough stock to meet expected demand at the sale price.
- If stock or the number of items per customer is limited, say so clearly.

3. CHRISTMAS DELIVERY

- Check stock levels and courier cut-offs before promising Christmas delivery.
- Make sure you have reasonable grounds for any delivery promise before you make it, such as confirmed courier timeframes.
- Update or remove delivery claims as cut-off dates pass, across your website, ads and emails.

4. TOTAL PRICE

- Show prices to consumers inclusive of GST.
- Disclose any surcharges or extra fees clearly before customers buy, whether in ads, on product pages or at checkout.
- Make sure the price charged at checkout matches the price you advertised.

5. RETURNS AND REFUNDS

- Remove blanket 'no refunds' statements. Customers keep their *Consumer Guarantees Act* rights, whatever your policy says.
- Extended change-of-mind returns are optional, but you must honour the policy you advertise.

6. GIFT CARDS

- Gift cards sold to consumers must be valid for at least three years from the date of sale.
- Display the expiry date prominently on every card.
- A shorter stated expiry does not override the three-year minimum.

7. INFLUENCERS AND REVIEWS

- Clearly disclose paid or gifted arrangements with influencers.
- Do not remove negative feedback in a way that misrepresents your reviews.

NEED A REVIEW BEFORE LAUNCH?

Our consumer law lawyers can review your Christmas promotions, terms and returns policy before they reach customers.
Call **0800 005 570** to book a free consultation.

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