

## **Sale of Goods campaign plan 2009-10**

### **Executive Summary**

The aim of the Sale of Goods campaign is to increase awareness of the Sale of Goods Act and minimise consumer detriment. To achieve this we will work in partnership with industry to develop an increased understanding of consumer rights amongst customer facing staff. The following pages provide details on the background, approach, rationale and details of all proposed activities to support the Sale of Goods (SoG) campaign in 2009-10.

### **Background**

OFT's mission is to make markets work well for consumers. We are delivering this goal through a strategically linked portfolio which comprises competition tools, consumer tools and education and advocacy. Working in partnership with Local Authority Trading Standard Services and others our policy and communications aims are to benefit consumers directly, improving their confidence in their own abilities and in markets.

Advice provided to consumers also benefits legitimate businesses. If consumers are able to identify the rogues and scams, legitimate businesses will be less likely to lose market share to those engaging in sharp practices. Moreover, if consumers know their rights, businesses will handle fewer misinformed complaints. The end result is more empowered consumers making informed decisions, which would result in businesses being more likely to innovate, reduce inefficiencies and compete in ways which make markets work well for consumers and the wider economy.

Achieving OFT's mission to develop empowered customers knowledge of consumer rights also requires informed businesses, particularly front line staff who engage with consumers on sales issues. Action is proposed to improve both consumer knowledge of their rights and to improve frontline staff knowledge, confidence and support.

## **Stakeholder activity**

BIS, OFT and TSI are working in partnership through the development of complementary initiatives on both consumer and business communication.

### **BIS - Activity to Empower Consumers/Business**

As part of the Consumer Law review in 2008, BIS made a commitment to investigate ways to improve consumer empowerment. Following the results of a research project into the public understanding of consumer rights, BIS, in partnership with the OFT, Consumer Direct, TSI and Consumer Focus, launched a consumer rights campaign in September 2009 running until March 2010. KYCR's topline objectives are twofold:

#### **Consumers**

- To improve awareness of consumer rights amongst the target audiences.
- To raise the profile of Consumer Direct as the main source of advice and support on consumer issues to the target audience.

Messaging to consumers focuses on their three key rights and are centred around buying in a shop, at home or on the internet. The communication mix includes PR, media work, online and web activity, partnership marketing and utilising stakeholders' communications channels.

#### **Small businesses**

- To improve awareness of consumer rights amongst businesses who deal directly with consumers, particularly SMEs (under 50 employees).

SMEs are being targeted with messages around their need to better understand consumer rights. (as described, of satisfactory quality, fit for purpose). Messaging, branded as 'Know Your Consumers' Rights', is being delivered from an online portal which has been developed on the Business Link website, providing a single point of access to advice and information. The communication mix includes PR, media work and utilising stakeholders' communications channels.

### **TSI**

Working in partnership with BIS, TSI are supporting the business side of their KYCR campaign by offering, two complete training modules for businesses from the current Training Standards Institute Fair Trading Award (Introductory Level) free of charge on the KYCR online portal – there are seven modules in total, which are usually charged for, covering civil law, criminal law, elements of a simple contract, implied terms, Sale of Goods and Services Act 1979, Consumer Protection from Unfair Trading Regulations 2008, and guarantees.

## Initial Research

Analysis of the consumer market shows that while the majority of business consumer transactions are trouble free there are, in absolute terms, still a high number of consumer complaints and enquiries.

The results of a recent TSI business survey show that:

- Only 45 per cent of businesses provide consumer rights training for staff as part of their induction.
- 24 per cent of traders never update full-time staff on consumer rights in relation to their business.

Consumers are often unclear about their consumer rights and customer facing staff can also be unclear when advising them. This can be exacerbated when the item is high-value or the transaction complex such as TVs, White Goods etc and is intensified by the growth of the market and increased choice.

This suggests a need for greater clarity around the Sale of Goods Act 1979 for both business and consumers, covering:

- 'reasonable period of time' in the Sale of Goods Act 1979.
- Also that goods must be:
  - as described
  - of satisfactory quality
  - fit for purpose.
- The Repair, Replace, Refund entitlements.

BIS's Business Working Group research conducted in early 2009 to inform the Know your Consumer Rights campaign outlines that businesses want simple, common sense, up to date information and advice that is quick and easy to use and reuse. It should include practical examples and scenarios and case studies with signposting to further details and sources of advice. It could be delivered online and instore and should be well promoted. Packages could be developed to meet the businesses' needs and all work should be consistent with other sources of advice and have local authority buy in.

In initial discussions BRC have suggested that:

- Staff would need reminding of consumer rights (not informing) as they may have already undergone some training.
- Many businesses will have some sort of training programme which could be enhanced and supported and any offer should be easily absorbed into company activity.
- An area that businesses would need support with would be in dealing with informing the high turnover of staff and informing temporary or part-time staff.
- Mid-large grouping (eg smaller department stores that tend to be regional with 20 or so outlets) could be targeted as they wouldn't necessarily have the structure or capacity to develop their own training modules.

## **OFT SoG – aim and brief description of what it will comprise**

The aim of the Sale of Goods campaign is to increase awareness of the Sale of Goods Act and minimise consumer detriment. We will work in partnership with larger corporate businesses to develop an increased understanding of consumer rights amongst customer facing staff enabling better and more informed interaction with customers and improving the retail experience and environment for both consumers and staff.

### **Objectives**

The OFT's strategic objective is to increase business awareness of the Sale of Goods Act and minimise consumer detriment.

Our communication objective is to support delivery of the strategic objective by:

- Working in partnership with stakeholders and industry to develop an understanding of consumer rights training delivery and needs across the board.
- Developing an increased understanding of consumer rights amongst front line sales staff via educational and promotional materials.
- Promotion of the campaign to increase impact and awareness.

## **Target audiences**

To support development:

- Larger retailers with a focus on electrical and electronic goods and furniture.
- Stakeholders and industry partners.

Promotion:

- Wider marketplace.
- Wider stakeholder activity - trade associations, information providers etc.

We will investigate broadening the scope of this campaign in the next FY to include further markets.

## **Key messages**

- Having staff that are educated and confident about consumer rights is beneficial to brand and resource management.
- knowing about consumers' rights improves customers' perception of business
- for advice on consumer rights visit [www.businesslink.gov.uk/consumerrights](http://www.businesslink.gov.uk/consumerrights)

## **Branding**

The OFT's SoG strategy will be developed in line with BIS's Know Your Consumer Rights campaign and aims to increase activity and widen the scope of BIS's campaign. To ensure synergies with BIS's campaign, initial thinking is that OFT will co-brand its G2B activities as 'Know your Consumers' Rights' – we will research this with the target audience. We will work in partnership with TSI to avoid duplication of effort, their Fair Trading Awards package will form the basis of the training content.

## **Proposed activities**

We wish to go beyond simple information provision - our key focus will be to get a dialogue going with industry. We will engage with our industry partners to gain an understanding of best practice and lessons learnt in the provision of consumer rights training to customer facing staff. The campaign is being discussed with stakeholders and industry to gain more insight on how businesses deal with consumer rights training.

Our route, which we will test with industry, is to:

- Develop a suite of educational and promotional materials in partnership with industry, and with support from TSS Home Authorities, TSI, BRC and BIS.

- Promote the materials to our wider audience.
- Work with larger businesses to evolve tailored partnerships to integrate materials developed into their training programmes.

## **Educational and promotional materials**

Educational materials could include:

- shorter, focused learning modules
- interactive activities
- training support materials
- case studies using everyday purchasing situations
- Short reminders for managers to give in team meetings
- articles for staff newsletters
- Q&As.

We will work in partnership with TSI, using the content of the Sale of Goods module in the Fair Trading Awards as the basis for the materials being developed. Specifically the FTA's Sale of Goods and Services Act 1979 module.

Promotional materials could include:

- banner ads for intranet sites
- artwork for posters
- inserts for payslips
- screensavers for computers and tills
- information sheets
- in-store support packs
- staff reminder items (pens, mousemats etc).

A consumer facing leaflet could be provided to support staff in their conversations - information should mirror CD and KYCR advice.

## **Promotion**

### **PR**

To promote roll-out of the materials the OFT press office will work with BIS, TSI and BRC to ensure that press activity is coordinated and that all activities undertaken are used as an opportunity to stimulate as much free publicity as possible. We will

proactively target trade magazines/websites in addition to business sections of national and local media.

### **Partners**

A key channel for our communications will be our partners and stakeholders. We will be working closely with BRC, BIS, TSI, RETRA, CD and Business Link amongst others to develop and promote campaign activity. At a local level we will be linking with TSS and RDAs.

We will liaise with BIS' Business Working Group set up by BIS for the KYCR campaign and use them as a sounding board but also as conduits for our messages and activity.

The OFT Approved Codes campaign partners where appropriate will also be approached to help distribute messaging, signposting and materials amongst their members.

We will create a stakeholder pack which will provide stakeholders with the materials required to promote the campaign amongst their members, partners etc

### **Evaluation**

We will be enhancing and extending pre-existing BIS pre and post tracking research to include larger businesses, add questions on general changes to awareness, increase the sample range and size, include a breakdown of retail sectors (electrical, white goods, furniture) and upweight these sectors in the sample. Following the roll out phase we will be undertaking a later third wave of research which will focus on changes to behaviour.

### **Budget and Timings**

The budget for the SoG campaign is £200,000. Detailed project plans, with budget details and timings, will be developed for each activity.

Oct - Jan	Develop materials
Jan - Mar	Sell in the materials to our primary target audience
Feb	Promote the materials to our secondary target audience

*Dec 2009*