

OFT campaigns activity in fiscal year 2009-10

Introduction

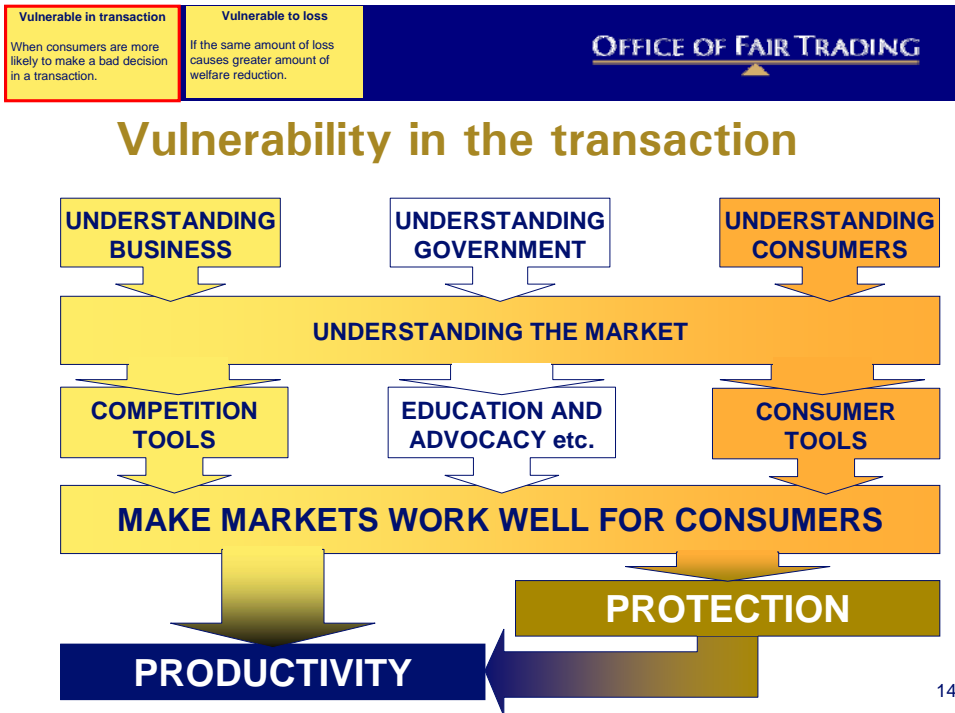
1. This paper provides the context for the OFT's proposed consumer education and campaign activity in fiscal year 2009-10. In summary, OFT's consumer education and campaigns work is an interlinked part of OFT's strategy to deliver OFT's core mission to make markets work better for consumers. Our priorities in 2009-10, which we shall revisit once BERR's pending Consumer White paper is published, will be:

- scams comprising Scamnesty, working with participating local authority Trading Standards Services (TSS), in February, summer warnings on concert ticket sales, and lotteries in the autumn
- promotion of Consumer Direct (CD), working in partnership with CD local representatives and with the Department for Business, Enterprise and Regulatory Reform (BERR's) planned 'Know Your Consumer Rights' campaign, due to launch during National Consumer Week in September
- activity to promote sale of goods linking with 'Know Your Rights'
- further roll out of our doorstep selling campaign at Halloween
- promotion of Save Xmas messages, primarily with external partners
- development of the Consumer Code Approval Scheme 'OFT approved' in partnership with Code partners, and
- further roll out of our consumer education resource Skilled to go, which is being repackaged for use by local authority Trading Standards Services (TSS).

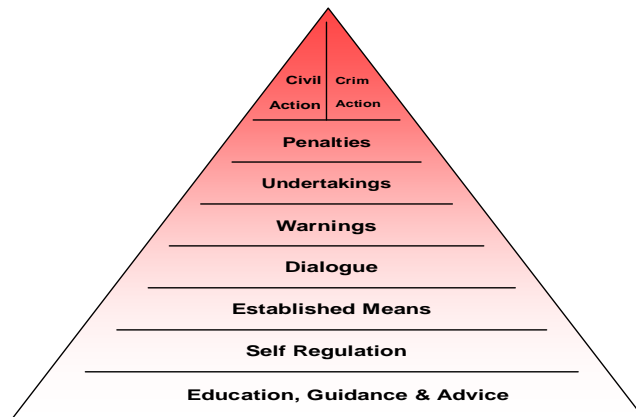
Individual communication strategies/plans for each of the above will be developed before the summer and will be available at www.offt.gov.uk/campaigns or can be requested from maureen.poyden@oft.gsi.gov.uk. The strategies for scams and consumer education are available now. Any new initiatives or changes to existing campaigns resulting from the White paper will be posted at the 'campaigns' link.

The context for consumer education and campaigns

- Figure 1 below explains the context. 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.



- Our consumer strategy work aims to incorporate a level of effective enforcement activity in all areas to include advice, warning, education, guidance and court action sufficient to maintain compliance in markets. The enforcement triangle below sets out the range of tools the OFT employs.



4. Working in partnership with TSS and others, our policy and communications aims are to benefit consumers directly, improving their confidence in their own abilities and in markets. Our philosophy is that consumers who can differentiate between legitimate businesses and rogue traders, and between legitimate business practices and scams, are more likely to take well informed decisions and less likely to be caught out. Skilled consumers who know their rights and who are able to access redress mechanisms will be confident in their dealings with businesses in conventional and in newer market settings such as the internet. Consumers who are aware of their cancellation rights are more likely to switch between suppliers.
5. 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.

6. OFT's priority is to focus on areas of high consumer detriment. In deciding OFT's communication priorities for 2009-10, we have taken stock of the priorities set out in the OFT's annual plan, and will take forward the following.

Scams

Proposed timings for activity: concert/festival ticket warnings June/July, lotteries warnings November, Scamnesty February

7. Scams are an area of high consumer detriment. OFT scams campaign activity aims to increase consumer empowerment by enabling them to identify and protect themselves from mass marketed scams. It is a key part of the OFT's commitment to taking 'preventative, deterrent, and disruptive action' to address the consumer impact of scams. Increasing consumer awareness of scams and reducing the number of people caught out, results in reduced profitability for scammers, and the number of scams distributed to vulnerable consumers.
8. OFT activity in Scams Awareness Month (SAM) in February 2009 focused on (i) 'Scamnesty' - scam mail dumpings in partnership with 93 trading standards bodies; (ii) raising awareness of scams amongst older consumers and their carers; (iii) advice to consumers to watch out for online and email scams, such as advance fee fraud, bogus lotteries and phishing; (iv) spoof web pages promoting a fake slimming product and a miracle cure for diabetes, and (v) advice to business to increase business awareness of the methods scammers may use to target them and highlight how they can protect themselves.
9. Our evaluation indicates that our online activity, supported by media PR targeting both traditional and online media reached over 36 million people who had opportunity to see/hear our messages. The value of coverage secured was some £300k. Publicity secured has impacted on the public, with people's knowledge of types of scams and where to go to for advice both increasing.

10. In 2009-10, instead of concentrating all our scams promotional activity in one month, we plan three bursts of activity outlined above focussing on festival/concert tickets, lottery scams and Scamnesty. We also plan to continue working in partnership with community groups to help promote scams awareness at a local level. Further details are available in a separate scams communication strategy.

OFT communication contact for scams: emma.monk@oft.gsi.gov.uk

Telephone 020 7211 8808

Consumer Direct

Proposed timings for activity: periodic activity by CD regional representatives. OFT activity to support National Consumer Week in September and in the run up to Christmas

11. Consumer Direct is OFT's telephone and web service designed to provide advice to consumers pre and post a sales transaction. The service currently receives 1.7 million calls a year. Activity to promote further awareness is to be scheduled throughout the year and flexed where necessary in response to call volumes. Our plans are being shaped by quantitative and qualitative insight research, designed to update our knowledge of our CD audiences, what they think about the service, and the quality and accessibility of information provided.
12. This research is currently being concluded and copies of our qualitative and quantitative findings are available. Feedback from consumers has been positive, they like the look and feel of the CD site, the information offered and the template letters in particular. Work is required to make the navigation of the site even easier but the basic thrust of the research is that OFT has a product we can be proud of. The overall customer satisfaction average with CD last year was 83 per cent with 48 per cent of people saying they are now more confident in dealing with consumer issues as a result of CD advice.
13. The communication strategy for CD will be available in June.

OFT communication contact for Consumer Direct:

karen.chilvers@oft.gsi.gov.uk Telephone 020 7211 8676

Know Your Consumer Rights campaign

Proposed timing: this campaign, to be led by BERR, will launch on 14 September as part of the Trading Standard Institute's (TSI) National Consumer Week

14. The campaign stems from research in support of BERR's Consumer Law review which indicated that one third of people, and younger people in particular, didn't feel knowledgeable about their consumer rights and internet shopping rights. Recognising the complexity of explaining consumer rights, the campaign will focus on general principles, highlighting that goods and services must fit the description given, be of satisfactory quality and fit for purpose.
15. The campaign will focus on CD as a source of further advice and is to be taken forward with support from commercial companies. BERR are currently seeking further partners. The scale and length of the campaign is dependent on partner support. The campaign has the ability to be extremely successful on a local basis too and we shall be exploring options with the regional CD Comms teams.

OFT communication contact for Know Your Rights:

karen.chilvers@oft.gsi.gov.uk Telephone 020 7211 8676

Sale of Goods

Proposed timing: from September in conjunction with the Know Your Consumer Rights Campaign

16. Last year, CD received over 55,000 complaints about audio-visual products and large domestic appliances. High levels of complaints, and potential changes to the directive on faulty goods, means that there will need to be clarity, especially for business, about how to comply on refund/repair/replacement, particularly of larger ticket items.

BERR's 'Know Your Rights', campaign is primarily aimed at raising consumer awareness of their rights, but will also be establishing an online resource for business that will provide access to information and encourage greater training of staff so that they are more informed when they liaise with consumers. OFT work, which has yet to be scoped, will explore how we can extend the reach of BERR's proposed online business resource.

OFT communication contact for Sale of Goods:

angharad.davies@oft.gsi.gov.uk Telephone 020 7211 5832

Doorstep Selling

Proposed timing: in October using Halloween as a news hook

17. In the changing economic climate, people will be exposed to high-pressure selling techniques on the doorstep. OFT aims to help people cope with high-pressure sales techniques, as highlighted, for example, by the levels of complaints to CD about the home maintenance and improvements sector. Detriment in doorstep trading results from aggressive sales techniques, many of which the Consumer Protection Regulations now outlaw. There is also the problem of rogue doorstep traders in which a high degree of coercion and / or deception is used. Victims are likely to be older consumers living alone. The OFT will encourage elderly consumers to use caution and seek reassurance before agreeing to costly goods or services.

OFT communication contact for Doorstep Selling: dilys.alam@oft.gsi.gov.uk

Telephone 020 7211 8191

Save Xmas

Proposed timings: September - March 2010

18. Working with external partners, year three activity of this campaign will continue to raise awareness of the different ways of saving for Christmas. In February/April 2009, a national road show, in

partnership with CA and smaller advice agencies, visited some 30 locations giving one to one advice to over 1,700 people, with 15,000 more taking information away. Separately some 500 CA advice sessions will have taken place during 2008-09, reaching a mix of consumers and advice workers who then promulgate messages on savings in their own work. We propose to launch year three in September with advice sessions across the country and a PR campaign. We intend to make links with DWP's *Now Let's Talk Money* campaign as opportunities arise.

**OFT communication contact for Save Xmas: dilys.alam@oft.gsi.gov.uk
Telephone 020 7211 8191**

OFT Approved Code

Proposed timings: ongoing in partnership with Code partners

19. The OFT runs a Consumer Code Approvals Scheme, which is designed to help consumers identify businesses with higher standards of customer care and which are committed to treating consumers fairly if problems arise. Delivered mainly through trade associations (the code sponsors), companies need to meet rigorous criteria such as clear pre-sale information, fair contracts and access to independent redress mechanism. Promotional activity in 2009-10, in partnership with code sponsors, will be designed to raise further awareness of the Code.

**OFT communication contact for Consumer Code: dilys.alam@oft.gsi.gov.uk
Telephone 020 7211 8191**

Consumer education

Proposed timings – staggered publication dates between November 2009 and February 2010 with a further launch planned for July 2010.

20. Skilled to go is the OFT's free online teachers' toolkit that aims to increase learners' consumer knowledge, skills and confidence in consumer situations. It uses everyday consumer situations, such as

- choosing a mobile phone, as contexts for learning numeracy and literacy. Primarily aimed at adult and further education providers so far, packages for use by TSS and in secondary schools will be available in the summer/autumn respectively.
21. Teachers from around 50 per cent of further education institutions in the UK have registered on the OFT website to access Skilled to go learning resources. To put this in perspective, there are approximately 600 FE institutions in the UK and over 4000 teachers in FE have registered to use Skilled to go in the nine months since its launch. Educators within armed forces and offender learning – two large subgroups in adult education - have also registered. About 40 new people register each week.
 22. Take up so far is very encouraging. In addition, all our qualitative feedback, gathered formally through our evaluation and informally from the consumer education team's direct contact with teachers and via the website, is almost universally very positive about the aims of Skilled to go, its appropriacy for purpose, its appeal to learners and the quality of the resources for teachers and learners.
 23. Developing skills and knowledge is a long term process but our evaluation of Skilled to go showed learners made substantial gains in just six weeks. Their consumer knowledge improved by 13 per cent and learners' ability to handle consumer scenarios rose by 14 per cent - even though some used Skilled to go for only two hours per week. Forty four per cent more learners felt very or quite confident in knowing their consumer rights by the end and learners also reported significant skills improvements. Skilled to go also appealed to learners who are traditionally hard to reach in education, such as young males.
 24. Key work in 2009-10 includes:
 - tailoring Skilled to go for use in financial literacy programmes involving identifying the activities which develop financial capability skills. Proposed publication: November 2009

- tailoring Skilled to go for use by TSS when they are doing talks and sessions in schools. Proposed publication: January 2010
- tailoring Skilled to go for use by secondary schools in Scotland in social and vocational skills, home economics and enterprise education courses. Proposed publication: February 2010
- extending Skilled to go by developing two new modules. Proposed launch: July 2010
- reviewing and updating Skilled to go content in modules 1-3 to ensure it is accurate. This work is underway. Proposed publication: November 2009.

OFT communication contact for Skilled to go: sam.brew@oft.gsi.gov.uk
Telephone 020 7211 8868

Consumer education alliance

Proposed timings – May 2009, August 2009, November 2009, February 2010

25. An e-newsletter to communicate the OFT's consumer education and campaigns work to Alliance members, and for Alliance members to share their work with other members, was launched in February 2009.

OFT communication contact for Education Alliance:
sam.brew@oft.gsi.gov.uk Telephone: 020 7211 8868

Other miscellaneous campaign work

26. The campaigns team will also be involved in other projects throughout the year where we are currently scoping the potential for involvement in anti money laundering, debt management and financial services:

- **anti money laundering:** a campaign is planned from June 2009 – January 2010 to support the legal obligation of businesses to monitor and report suspected money laundering by criminals. The OFT is required to supervise how estate agents and consumer credit financial institutions comply with the Money Laundering Regulations. The campaign will direct affected businesses to

register with the OFT as part of this supervision. The primary activities will be direct mail to estate agents and financial institutions, and dissemination through trade associations, accountants and other partners.

- **debt management/wider financial advice:** we will continue to work in partnership with the Financial Services Authority (FSA) to provide financial advice to consumers. Given the current economic climate, there is a clear need to provide debt advice. Working in partnership, the OFT will continue to encourage consumers to be aware of, and business to comply with, the debt management guidelines.

Further information

Individual contacts for each campaign are listed above and please feel free to contact campaign managers directly. Any wider comments/contributions should be sent to David Murphy the Head of Marketing at OFT.

david.murphy@oft.gsi.gov.uk Tel: 020 7211 8722

Any questions about OFT copyright/ branding should go to Paul McSherry paul.mcsherry@oft.gsi.gov.uk Tel: 020 7211 5836. Downloadable copies of this paper and the individual strategies for each campaign are available at:

www.oft.gov.uk/campaigns

OFT Communications: May 2009