

# Consumer detriment

Assessing the frequency and impact of consumer problems with goods and services

April 2008

OFT992

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# 1 EXECUTIVE SUMMARY

1.1 The survey's key objectives are to measure the overall value of detriment in the economy and examine complaints behaviour.

## Detriment

- Around a third of respondents (34 per cent) reported one problem or more in the last 12 months with goods or services they had purchased, with 542 problems identified in the survey for every 1000 persons interviewed.
- When projected across the overall UK population, this leads to an estimated 26.5 million problems within the last 12 months.
- Among respondents who experienced at least one problem in the last 12 months, 43 per cent reported more than one problem.
- Fifty-five per cent of problems resulted in a financial detriment below five pounds. Only four per cent of problems led to detriment levels higher than £1,000.<sup>1</sup>
- The goods or services for which consumers have reported the highest proportion of problems are telecommunications, domestic fuel and personal banking.
- The highest average financial detriment per problem is found in the insurance category, followed by home maintenance and improvements and personal banking.<sup>2</sup>
- An estimation of the overall value of revealed consumer detriment in the UK economy over the last 12 months is £6.6 billion.

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<sup>1</sup> Results are based on the financial losses recorded in stage two interviews.

<sup>2</sup> Analysis is restricted to categories with at least 40 problems examined in stage two interviews.

- When categorised in terms of the type of product or service, the greatest proportion of total detriment was found among the group covering 'Professional and financial services' at some 45 per cent of the total. This was followed by 'House fittings and appliances' 24 per cent, 'Transport' 15 per cent, 'Leisure' 9 per cent, 'Other household appliances' 5 per cent, and finally 'Personal goods and services' at just 1 per cent.
- Personal time spent rectifying the problem, welfare effects and psychological effects proportionally increase with financial detriment levels.

## Complaints

- Respondents complained or took action in relation to the problem in 64 per cent of cases. This proportion is higher for insurance, personal banking, internet and domestic fuel problems, and lower for small domestic appliances, medical goods and services and postal services.
- Respondents are more likely to have complained or taken action in relation with high detriment problems, with a complaint incidence of over 70 per cent for cases where detriment is higher than five pounds.
- Where respondents have taken action, they most often chose to make a complaint to the company which provided the goods or service rather than to other organisations. Most respondents though (76 per cent) did not seek information, help advice or from any other agency.
- Among those that did seek help or advice, 28 per cent reported contacting Trading Standards services or the consumer advice service Consumer Direct, 8 per cent Citizen's advice and 10

per cent percent either an ombudsman or financial services industry body.<sup>3</sup>

- Both detriment levels and complaints incidence vary relatively little with demographic characteristics. In contrast, important variations exist between product or service categories.

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<sup>3</sup> In smaller numbers, numerous agencies were mentioned including, among others, local authorities, Postwatch, Energywatch, the Advertising Standards Authority, MPs, the OFT, Ofwat, Ofcom, 'Which' and the police.

## **2 METHODOLOGY AND OBJECTIVES**

### **Background**

- 2.1 One of the Office of Fair Trading's fundamental missions is to make markets work well for consumers. Efficiently allocating resources to those areas most in need of attention is key to the OFT achieving their objectives. In this context, priority setting needs to accurately reflect consumers' needs and an important influence of this is the level of consumer detriment in specific markets.
- 2.2 The OFT conducted a survey on consumer detriment in 1999. This study showed that consumers experienced problems with a variety of goods and services and with variable levels of financial loss. However, the estimates made in the 1999 study were subject to wide sampling errors, a finding which has contributed to the design of this research project, in order to obtain more accurate estimates of detriment.
- 2.3 Another finding of the 1999 survey was the observation that only a very small fraction of consumer problems resulted in complaints reported to enforcement authorities such as local Trading Standards services or the Office of Fair Trading.
- 2.4 However, better and more detailed data on consumer complaints has been collected by the OFT since April 2006, through the national consumer advice line Consumer Direct. In light of these changes, the present study is designed to assess the relationship between consumer problems, consumer detriment and consumer behaviour in reporting problems to official bodies, especially to Consumer Direct the national consumer advice line.

### **Objectives**

- 2.5 The two main objectives of the study are to measure consumer detriment and understand the relationship between consumer problems, consumer detriment and consumer complaints.

- 2.6 The survey aims at providing robust estimates of consumer detriment, in general and for specific markets groupings Consumer detriment is defined as a measure of the financial losses suffered by consumers as a result of unsatisfactory purchases of goods and services. As accurate estimations of 'hidden' detriment are difficult, the focus will be on revealed detriment, i.e. detriment where the consumer is aware of the problem.
- 2.7 The first objective is to quantify detriment and its impact on consumers. The research examines the effect of financial losses on consumers subsequent expenditure. However, non financial detriment, such as psychological effects (stress, anger) will also be considered.
- 2.8 Particular attention will be given to the spread of detriment in terms of products and services, types of problem, value and demographic sub-groups.
- 2.9 It is hypothesised that in the economy as a whole consumer detriment may be more strongly associated with smaller numbers of high cost problems than with comparatively more numerous but lower cost problems. The hypothesis has been made that complaints made to Consumer Direct (CD) also tend to reflect cases of consumer problems involving substantial financial losses. This report will examine the alignment of consumer detriment for different types of goods and service with CD complaints data. It will also assess consumer behaviour in relation to complaints and identify key factors of complaining behaviour.

## **Methodology**

- 2.10 The survey comprises two main stages. Stage one fieldwork taking place from the second of November to the sixth of December 2007 and stage two from the eighth of December 2007 to the 13th of January 2008.
- 2.11 The first stage consisted of an Omnibus sift among 10,022 respondents. Around 2,000 face-to-face interviews were conducted on a weekly basis. Interviews were in home with quotas and weighting applied to ensure a representative spread of interviewing. The omnibus interviews

not only provided a robust sample size for measuring the incidence of consumer problems among the overall population, but also gave an opportunity to recruit respondents for a follow-up interview.

- 2.12 Omnibus respondents were asked to identify any problems (up to six) that they may have experienced with various types of goods and services within the last year. Prompt materials were used to optimise recall. The follow-up, second stage interview was conducted face-to-face with respondents who experienced at least one problem and had agreed to be re-contacted during the first stage.
- 2.13 Nine hundred and eighty-two respondents participated in the second stage interviews which were designed to give a more in-depth insight into problems and detriment and especially a more accurate assessment of detriment levels. In total, 1,489 problems were examined at this stage.

## **Sampling**

- 2.14 As mentioned above, the sample for the omnibus stage is representative of the British adult population (aged sixteen and over) in terms of demographics. It includes a range of respondents spread across gender, age, social grade, region, ethnicity and household structure.
- 2.15 For the second stage, the sample structure was designed specifically to minimise the sampling errors seen in the 1999 study. Sampling was based on four strata according to the participants' initial estimate of detriment levels: less than five pounds, more than five pounds but less than £100, more than £100 but less than £1,000 and more than £1,000. Respondents were asked about up to two problems.
- 2.16 The methodology for this study involves two stages of interviews and stratification. The analysis of the results therefore needs to be conducted in an appropriate way to ensure estimates are unbiased. Throughout this report, all results have been produced using the

appropriate analytical methods and weightings to ensure that results are unbiased. <sup>4</sup>

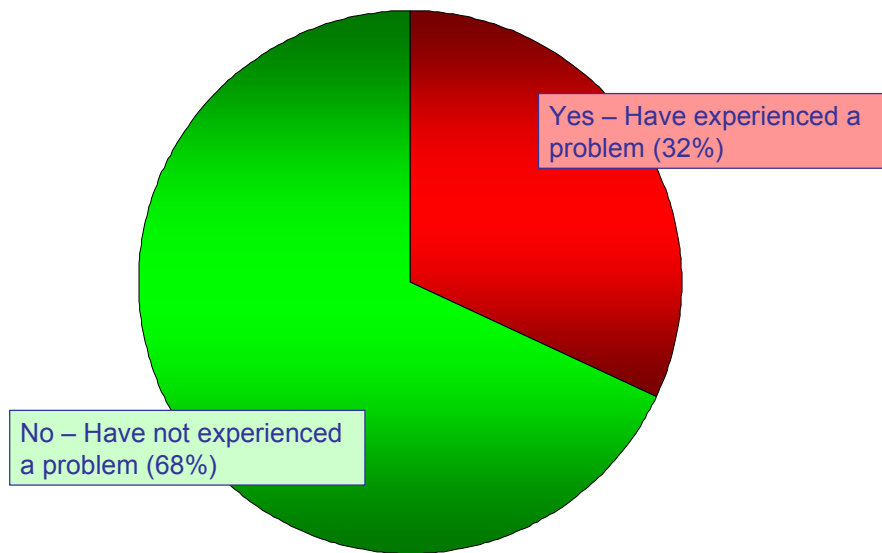
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<sup>4</sup> Please see annexes for more detailed methodological notes.

### **3 CONSUMER PROBLEMS**

- 3.1 Consumer detriment can be experienced across all goods and services, in a huge variety of forms and indeed, may not always be obvious to the consumer at all. In a study of this type, it is not practical to attempt to measure detriment which consumers are unaware of (hidden detriment). As such, the detriment referred to in this report relates only to types of detriment of which consumers are aware.
- 3.2 In order to capture meaningful problems, respondents were asked to identify any problems they had experienced in the past twelve months, for which they considered they had a genuine cause for complaint. Using this definition, around a third (34 per cent) of the GB adult population said they had experienced at least one problem in the last 12 months.
- 3.3 In contrast to this, the 1999 study was very inclusive about counting problems. It included, for example, junk mail, late postal delivery, cases where the consumer disliked or disapproved of certain types of advertising, and telephone cold calling. Participants in the 1999 study could report consumer problems of this type even if they had made no purchase. On this basis some 50 per cent of the general public had experienced some form of problem in the last 12 months.

**Chart 3.1: Proportion of the general public that have experienced a problem in the last 12 months**



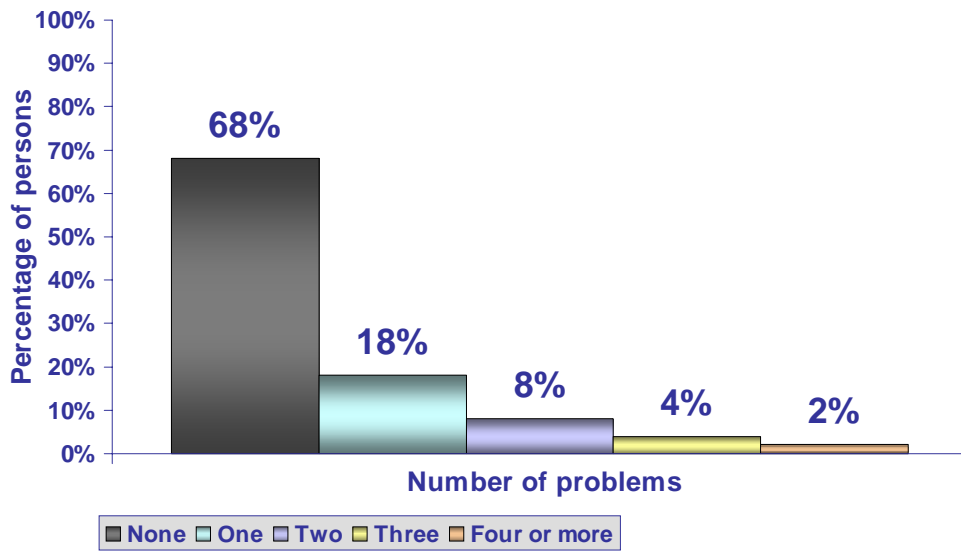
Base: GB Adults (10,022)

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3.4 Of those consumers that have experienced a problem in the last 12 months, almost half (47 per cent) said they had experienced more than one different type of problem over the period. Only five per cent of respondents with at least one problem reported four problems or more. In total, 5,423 problems were identified in the survey. When projected across the overall population, this leads to an estimated 26.5 million problems within the UK over the last 12 months.

### Chart 3.2: Number of problems experienced in the last 12 months

Consumers prompted recall of problems with goods and services



Base: All respondents (10,022) N.B. Unweighted figures

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**Table 3.3: Estimation of the number of problems for all consumers <sup>5</sup>**

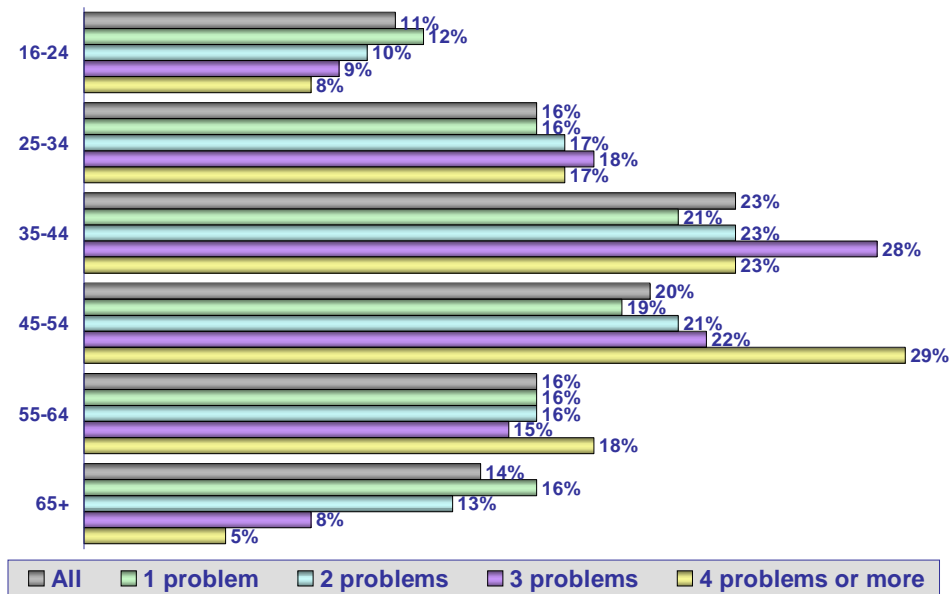
<b>Problems</b>	<b>Percentage of consumer</b>	<b>Number of problems</b>	<b>Product</b>
<b>None</b>	68%	0	0
<b>One</b>	18%	1	0.18
<b>Two</b>	8%	2	0.16
<b>Three</b>	4%	3	0.12
<b>Four or more</b>	2%	4.115	0.0823
<b>Total</b>	100%		0.542
<b>Problems in the 10,022 interview sample</b>			5,423
<b>Population scaling factor</b>			4,894
<b>Total estimated problems for all consumers</b>			<b>26,541,952</b>

3.5 The number of problems reported varies little by demographics. Differences by gender and social grade are not significant, while small base sizes for ethnic minorities prevent comparisons by ethnicity. Age seems to be a factor, with respondents in age band 35 to 54 more likely to report a higher number of problems. In contrast, respondents aged 16 to 24 and over 65 are less likely to report several problems.

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<sup>5</sup> Population scaling factor: ratio of the UK population of consumers above 16 according to Population Trends: 130: Winter Edition 2007: ISSN 0307-4463: Table 1.4: Adult population estimates mid year 2006 ([49,051,000](#)) by the sample (10,022).

**Chart 3.4: Number of problems reported – by age**



Base: All problems (5423)

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3.6 Each of the problems identified were categorised in terms of product or service and type of problem. The findings display a wide range of problems in terms of product/service category, nature, length and purchase characteristics. The classification of products and services in this report used the same system as that employed by the Consumer Direct advice line.

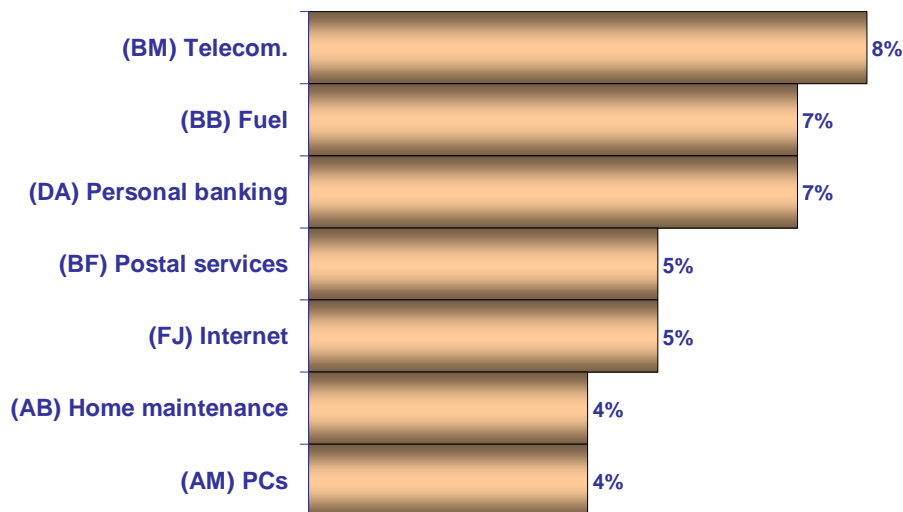
3.7 The classification uses a tiered system. The first main tier draws together goods and services into six main groups.<sup>6</sup> The second tier is

<sup>6</sup> In fact Consumer Direct makes use of eight categories, but in this research no consumer reported issues relating to **commercial goods or services**, or **broadcasting** although these occur in very small numbers among complaints reported to CD. CD also records a third tier of detail, covering hundreds of very specific items. The volume of data in this research is not sufficient to support analysis at this level of detail.

more detailed and identifies over than 60 separate categories. Full information on these classifications can be found by referring to annex A, question Q1a.

### Chart 3.5: Goods and services (Q1a) – second-tier categories with the highest percentage of problems

...which goods or services you have had a problem with where you have had a genuine cause for complaint.



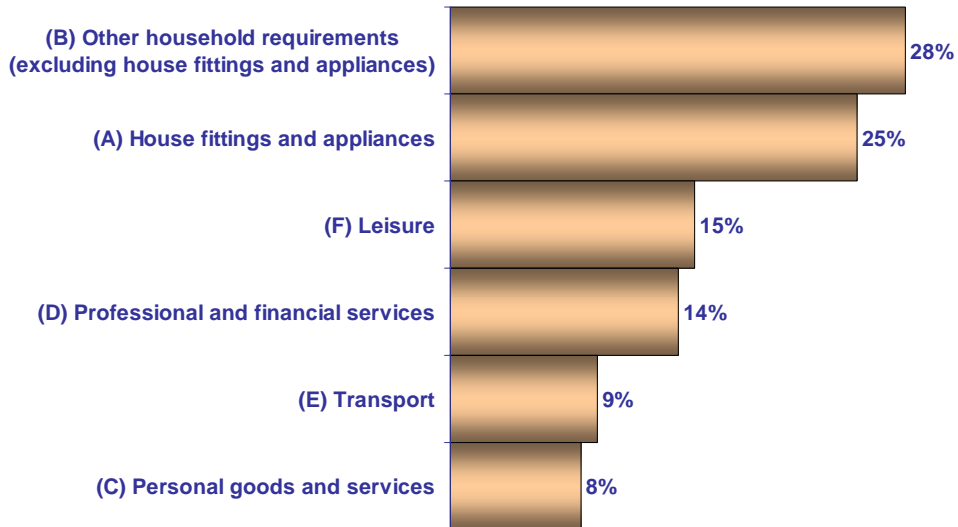
Base: All problems (5423)

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- 3.8 As can be seen above, telecommunications, domestic fuel and personal banking are the most commonly cited goods or services for which consumers have had cause for complaint. In terms of the type of problem experienced, poor service quality and defective goods are the most common causes of detriment.
- 3.9 When considering first-tier categories, other household requirements have the highest incidence, with 28 per cent of problems falling in this category. The next highest incidence is related to house fittings and appliances, with 25 per cent of problems.

### Chart 3.6: Goods and services (Q1a) – first-tier categories with the highest percentage of problems

...which goods or services you have had a problem with where you have had a genuine cause for complaint.



Base: All problems (5423)

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3.10 Calculating the ratio of complaints to problems by first tier product or service category enables areas where consumers are less likely to complain to be identified. In terms of complaints directed towards Consumer Direct, this is the case for professional and financial services, other household requirements and, to a lesser extent, leisure.

**Table 3.7: Goods and services (Q1a) – categories with the highest percentage of problems compared with complaints data from consumer direct**

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<u>Goods and services first tier categories</u>	Problems incidence from consumer detriment <u>project</u>	Complaints reported to Consumer <u>Direct</u> <sup>7</sup>	Ratio of complaints to <u>problems</u>
(A) House Fittings and appliances	25%	34.8%	1.39
(B) Other household requirements	28%	15.4%	0.55
(C) Personal goods and services	9%	10.9%	1.21
(D) Professional and financial services	14%	7.0%	0.5
(E) Transport	9%	18.5%	2.05
(F) Leisure	15%	13.4%	0.89

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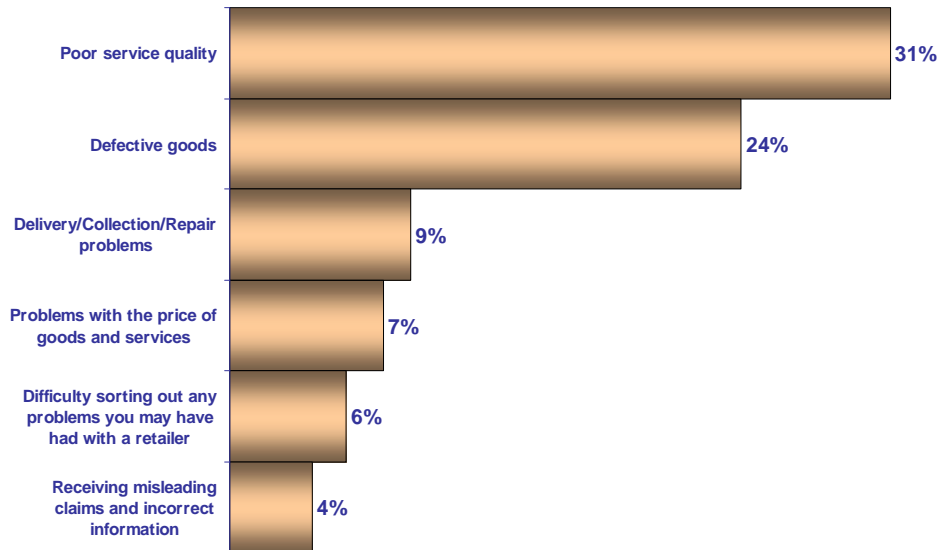


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<sup>7</sup> Data covering four quarters: Q4 2006 to Q3 2007 inclusive analysed using the Consumer Direct central database, including 779,000 reported complaints in this period.

### Chart 3.8: Type of problem experienced (Q2) - breakdown by category

Now looking at this card, please identify the types of problem you have experienced with [good/service category].



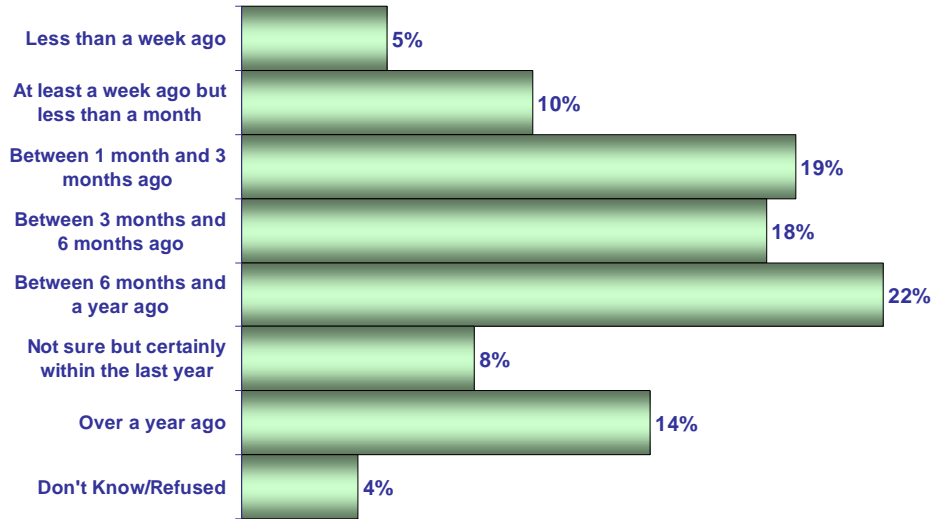
Base: All problems (5423)

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- 3.11 Clearly the type of problem is closely related to the type of product or service, and we will examine in more detail later in this report the key types of problem suffered by specific products or services.
- 3.12 A number of the problems captured in the omnibus interviews were longstanding - around 538 (nine per cent) of the problems recorded started more than a year before the interview and were still to be resolved. Others were much more recent - 14 per cent had started less than a month before, of which six per cent had already been resolved.

### Chart 3.9: Beginning of the problem (Q5)

As far as you can remember, when did the problem begin with [type of problem]?



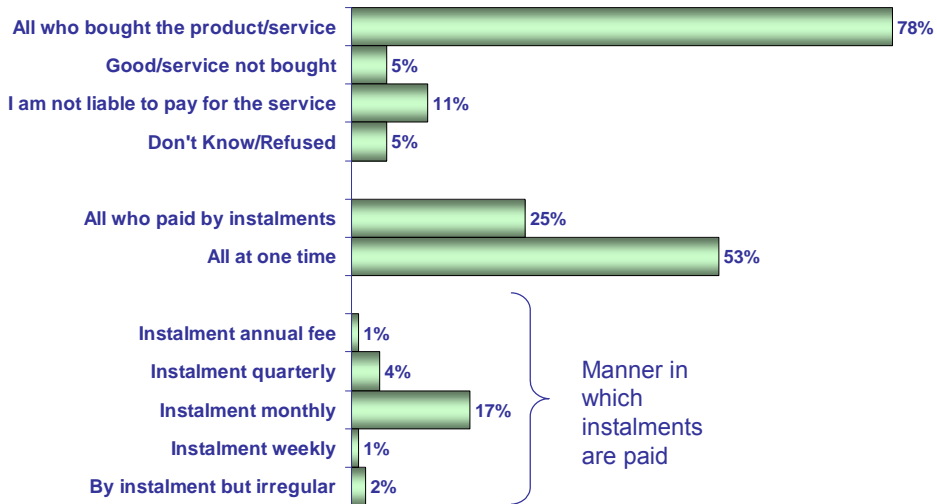
Base: All problems (5423)

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3.13 There was also considerable variety in the way in which problem goods and services have been purchased. Around half (53 per cent) of problems relate to products or services paid for all at one time, while 25 per cent relate to payment by instalments.

**Chart 3.10: Payment method (Q7A)**

**Was the service or goods paid all at one time, in full, or paid for continuously – like subscriptions, quarterly bills or other instalments?**



Base: All problems (5423), All problems related to goods/services paid for all at one time (2807), All problems related to goods/services paid for by instalments (1318)

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- 3.14 Three-quarters of problems (75 per cent) are linked to products or services bought by the respondent themselves, while only 11 per cent of problems result from a joint purchase by two adults or more in the household.
- 3.15 In short, the initial stage of interviewing captured a wide and varied cross-section of problems giving useful insight into the specifics of a number of product and service categories which will be discussed in more detail later in this report.

## 4 CONSUMER DETRIMENT

4.1 As discussed, detriment covers the full spectrum of goods and services and is experienced through a wide variety of ways. It also has a number of varying implications for the consumer. Clearly there are psychological effects for the consumer - stress, anger, frustration for example, and while we will examine these effects in some detail, the key focus for this report is the financial loss associated with consumer problems.

4.2 Financial loss is experienced in a number of ways and both stages of the research have been used to examine different aspects of the overall picture of financial detriment.

4.3 The first stage gives us the most accurate incidence data about the incidence of problems, whilst the second stage interview captures an accurate picture of detriment per problem for each of the following aspects of financial loss:

- Cost to you of any telephone calls, postage or stationery
- Any travel costs you have incurred
- Costs to you on any legal matters or for legal advice
- Costs to you of getting any other type of expert advice or assistance
- Repairing or resolving the problem at your own expense, e.g. replacing or repairing the goods or paying for another/alternative service
- Costs of any knock-on/consequential damage or inconvenience caused to you or any of your possessions as a result of the problem (one example of this would be a household appliance leaking and damaging something else)
- Reduction in value of the goods concerned or any other possessions as a result of the problem
- If self-employed, the cost to you of lost earnings by your not being able to work while taking time out to resolve the problem

- Any other ways not already covered in which you have spent money as a result of the problem (Respondent was asked to specify)

4.4 Data collected on detriment can be used to calculate an overall value of consumer detriment among the British adult population. A projection of the total detriment value in the sample to the British population gives an estimated £6.62 billion of consumer detriment over the last 12 months. The detailed computations are set out below.

**Table 4.1: Detailed computations of overall detriment**

Raw analysis outputs: Detriment  
 Stage 2 interviews: Final measured detriment size - adjusted for persons involved  
 Data screened for extreme values  
 Weighted analysis

<u>Final post stratification group</u>	<u>Count</u>	<u>Mean</u>	<u>Standard Error of Mean</u>
Up to £5	813	1.31	0.06
Over £5 not exceeding £100	413	28.86	1.17
Over £100 not exceeding £1000	203	330.15	14.81
Over £1000	60	4848.56	775.49
Group Total	1489	249.44	42.21

<u>Calculation of overall average detriment</u>	<u>Wh</u>	<u>Wh x Mean</u>	<u>SE ^2 x Wh^2</u>
Up to £5	0.5459	0.72	0.00
Over £5 not exceeding £100	0.2773	8.00	0.10
Over £100 not exceeding £1000	0.1364	45.03	4.08
Over £1000	0.0404	195.69	979.62
Group Total	1.00	249.44	983.81
<b>Overall mean</b>		249.44	
<b>SE of overall mean</b>	=√983.81	31.37	

**Calculation of total detriment**

Total problems	26.54 Million	See table 3.3 above
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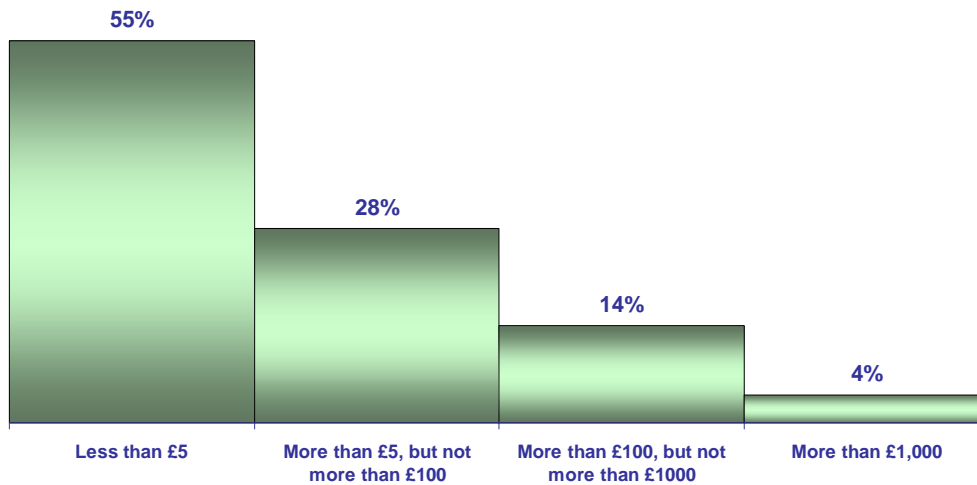
Average detriment per problem	£249.44	
Standard error	£31.37	
<b>Total detriment in UK economy (1)</b>	<b>£6.62</b>	(£ Billion)
<b>Standard error of estimate</b>	<b>£0.83</b>	(£ Billion)

(1) Product of estimated total problems and average detriment

4.5 Unsurprisingly, smaller value problems are much more commonly experienced than problems with higher value detriments. On detailed examination, 55 per cent of problems were found to result in detriment less than or equal to five pounds, while respectively 28 per cent, 14 per cent and four per cent of problems fall within the three higher detriment bands shown below.<sup>8</sup>

#### Chart 4.2: Distribution of problems by detriment size

We would now like you to estimate the total value of financial losses to you as a result of this problem.



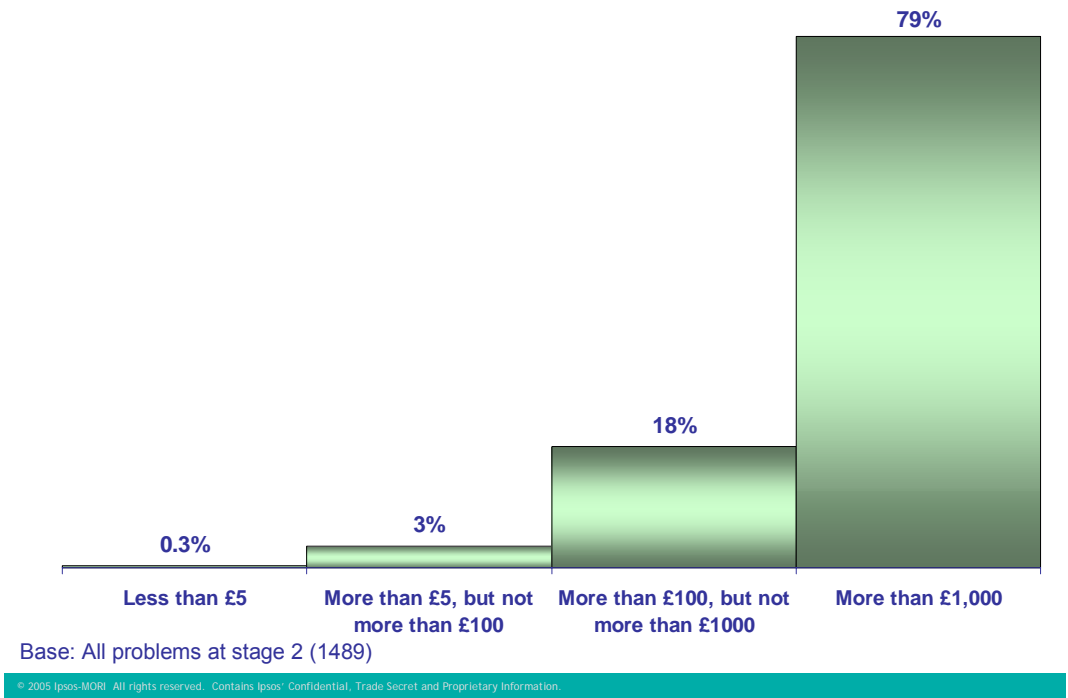
Base: All problems at stage 2 (1489)

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<sup>8</sup> Results are based on the financial losses recorded in stage two interviews.

4.6 While the distribution of problems is heavily skewed towards lower values, the total amount of detriment is heavily skewed towards higher value problems. This is an important finding. In terms of activity directed at reducing detriment, there appears to be greater potential for reductions in detriment to be achieved by addressing these higher value problems than in the elimination of small value problems.

**Chart 4.3: Distribution of total detriment by detriment size**



4.7 Detriment levels are found to vary considerably by the type of goods or service involved. However, goods and services cover many different categories and when the data are divided in this way cells often contain very few data. The highest and lowest examples of average detriment were observed in the goods and services in the table below.<sup>9</sup>

**Table 4.4: Highest and lowest average detriment – by second tier goods or service category**

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Highest average detriment

HOUSE CONSTRUCTION

PENSIONS

ESTATE AGENTS AND HOUSE PURCHASE SERVICES

PROFESSIONAL SERVICES (E.G. LAWYERS, ACCOUNTANTS, ETC)

Lowest average detriment

HARDWARE, CLEANING AND OTHER HOUSEHOLD GOODS AND SERVICES

FOOD AND DRINK

PHOTOGRAPHY

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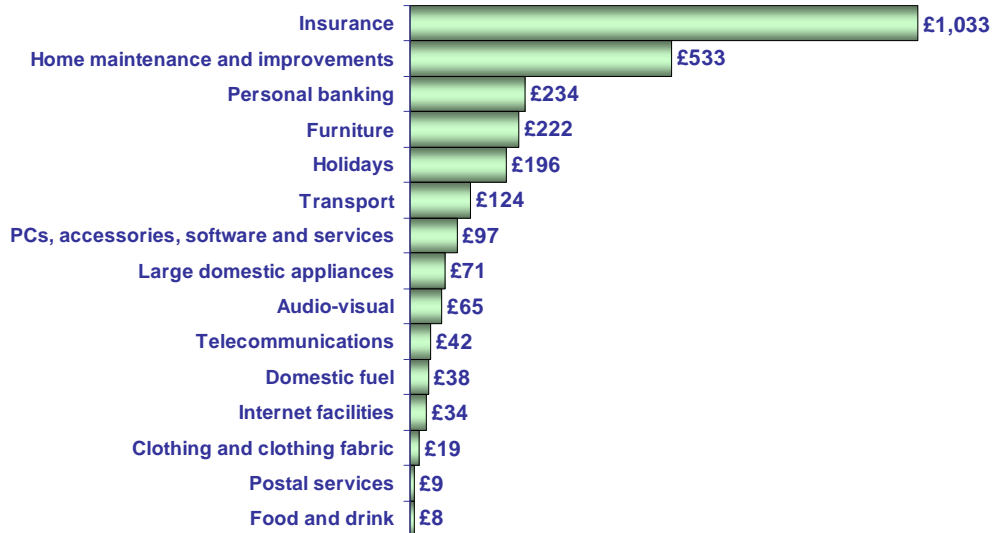
4.8 In the table above some of the estimates of average detriment were based on very limited numbers of observations, and subject to large estimation errors. The chart below shows further examples of the types of goods and services with the highest and lowest average detriment, but limited to categories containing 40 or more cases in 2nd stage interviews.

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<sup>9</sup> Results are based on the financial losses recorded in stage two interviews.

**Chart 4.5: Highest and lowest average detriment – by second tier type of goods or service category <sup>10</sup>**

We would now like you to estimate the total value of financial losses to you as a result of this problem.



Base: All problems at stage two (1489)

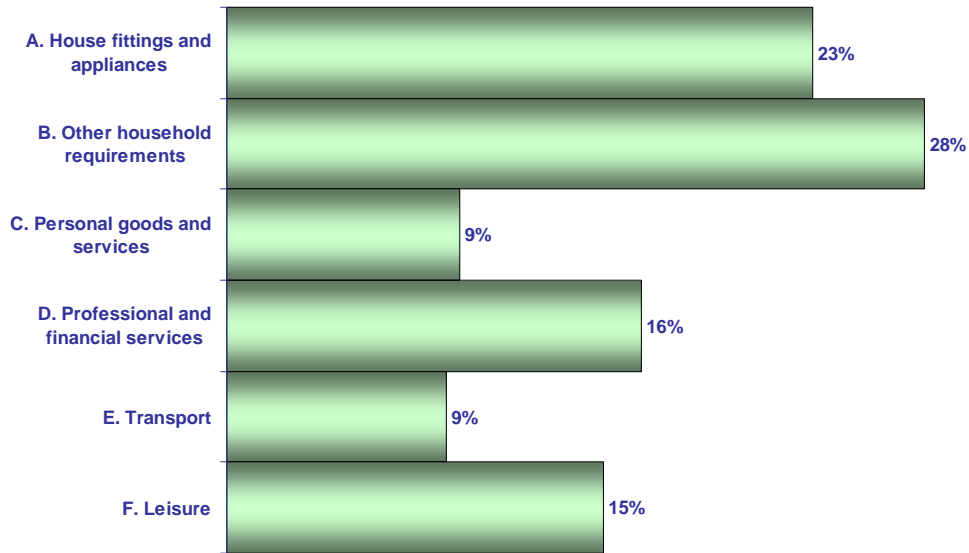
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4.9 When considered at a more aggregate level the greatest proportion of problems were identified in 'Other household requirements' and 'House fittings and appliances', with least in the 'Leisure' category. However, average detriment per problem varies considerably from category to category. As a result, the highest proportion of overall detriment is found in the 'Professional and financial services' and the lowest in group for 'Personal goods and services' as shown below.

<sup>10</sup> Limited to categories containing 40 or more cases in second stage interviews

## Chart 4.6: Distribution of problems by main tier of goods or services category<sup>11</sup>

We would now like you to estimate the total value of financial losses to you as a result of this problem.



Base: All problems at stage 2 (1489)

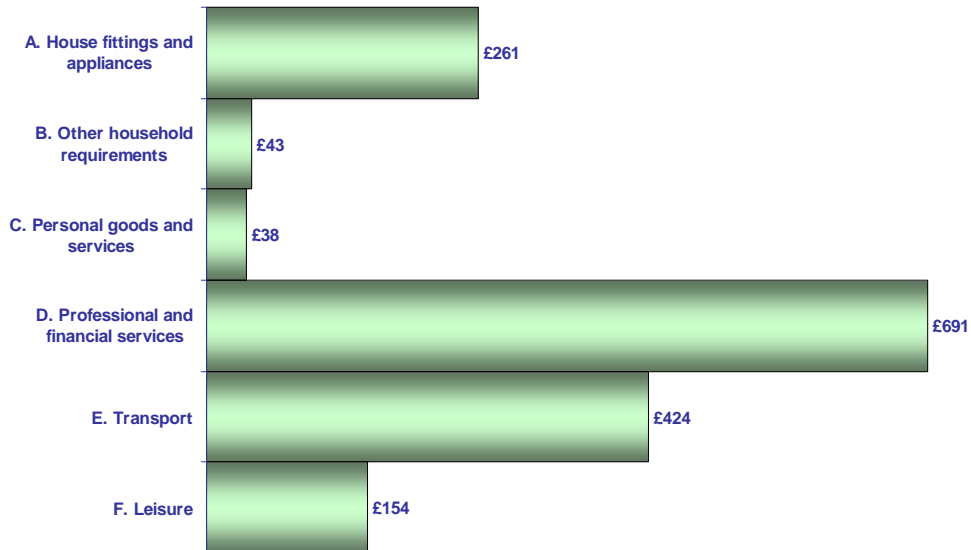
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<sup>11</sup> These results are based on the data set arising from stage two interviews, where detailed information on financial losses is available. Note that the distribution of problems differs to a minor degree from the results presented above in chart 2.6, but present our best estimates of the overall picture relating problems, average losses and overall detriment.

## Chart 4.7: Average detriment per problem by main tier of good or service category

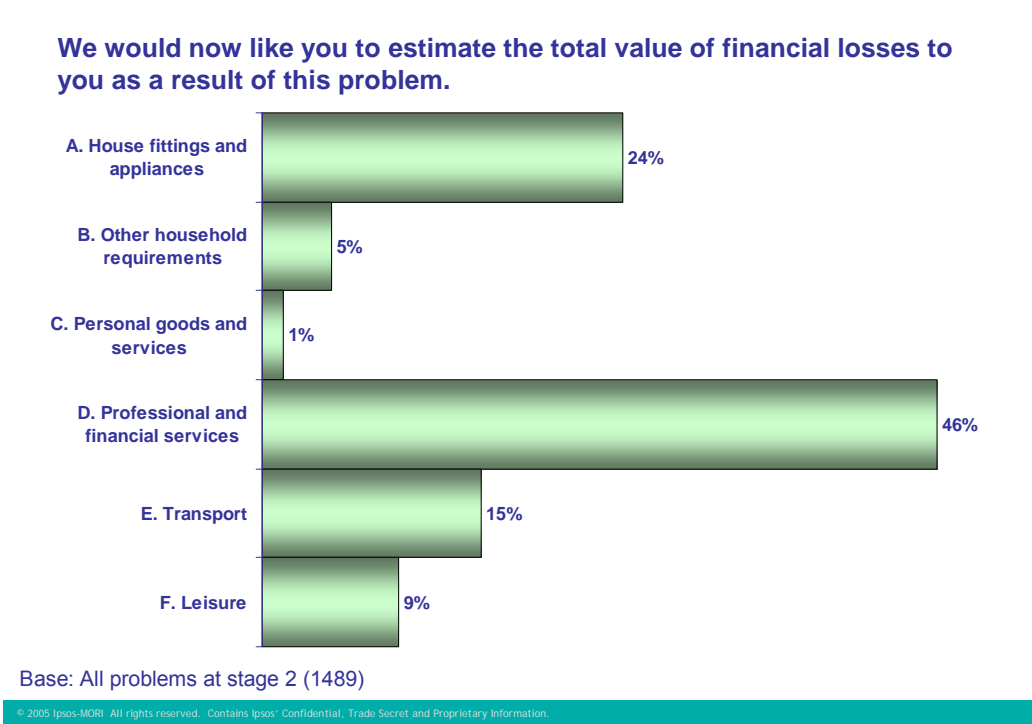
We would now like you to estimate the total value of financial losses to you as a result of this problem.



Base: All problems at stage 2 (1489)

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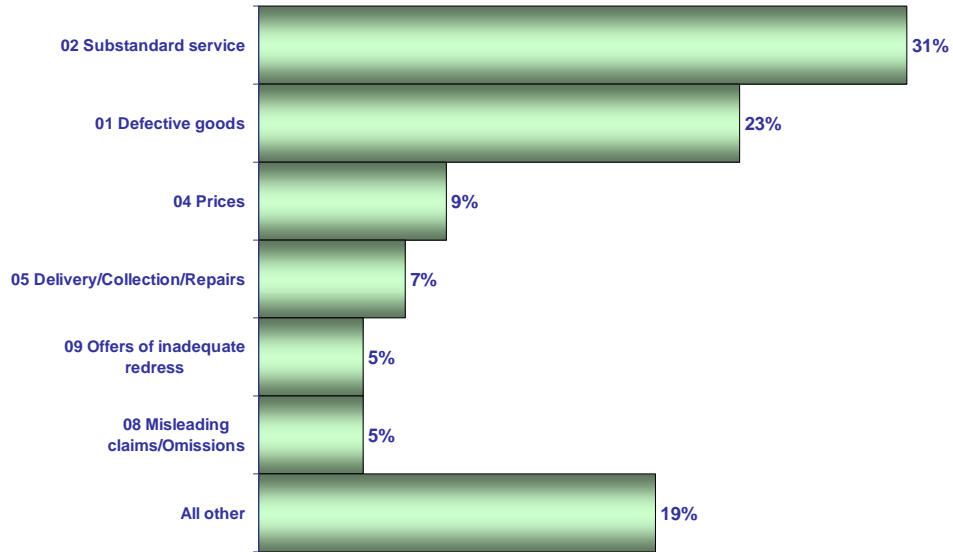
**Chart 4.8: Distribution of total detriment by main tier of goods or services category**



4.10 If we examine the data in terms of the type of problem encountered, then the most frequently encountered problems are those of sub-standard service, followed by defective goods. No other single category exceeds 10 per cent of problems, though problems connected with prices and pricing, collection delivery and repair, offers of inadequate redress and misleading claims and omissions each account for somewhere between 5 per cent and 10 per cent of problems. A variety of other types of complaint make up the remaining 19 per cent.

## Chart 4.9: Distribution of problems by type of complaint

We would now like you to estimate the total value of financial losses to you as a result of this problem.

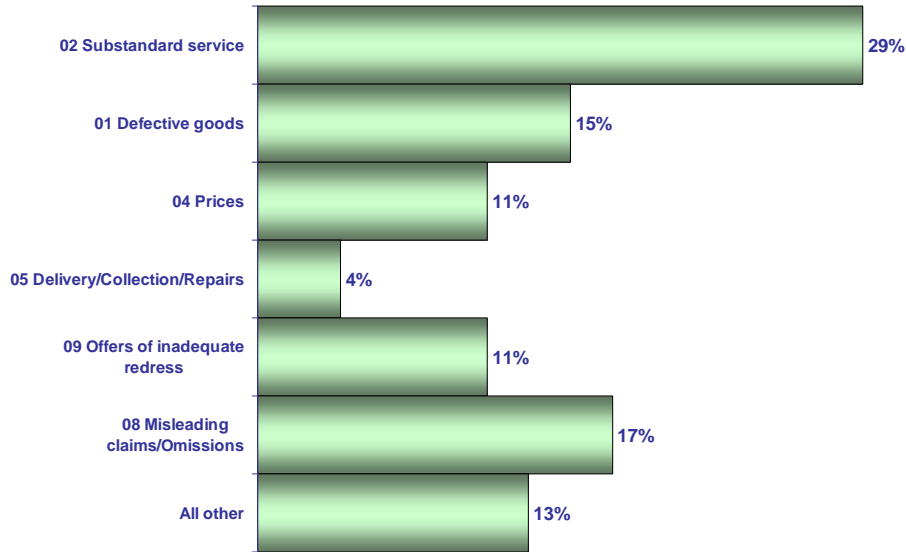


Base: All problems at stage 2 (1489)

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## Chart 4.10: Distribution of detriment by type of complaint

We would now like you to estimate the total value of financial losses to you as a result of this problem.



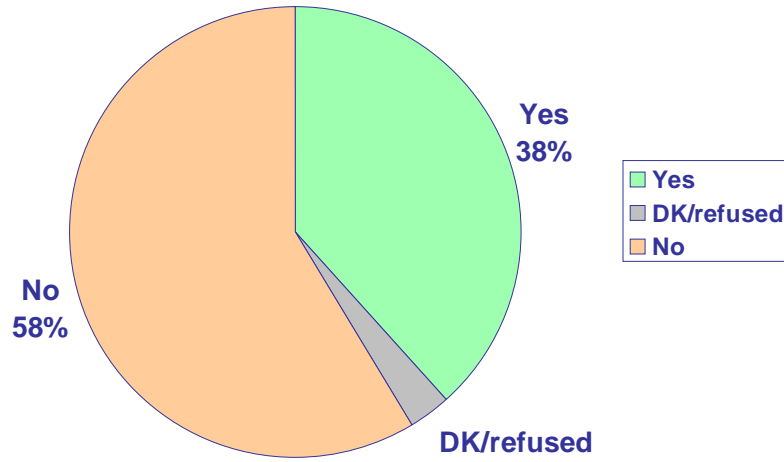
Base: All problems at stage 2 (1489)

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4.11 Financial detriment comes in a number of guises. In 38 per cent of cases, respondents incurred incidental costs (postage, phone calls, fuel, etc...). The different types of financial detriment were examined to an extent during the stage one interviewing and followed-up in more detail during the second stage. Of those problems identified in the first stage, 15 per cent resulted in consumers putting things right at their own expense and 13 per cent in consumers having to pay for a replacement. Consumers also spent money to get legal or other advice in three per cent of cases, and had to pay for knock-on damage to their possessions for an identical proportion of problems.

### Chart 4.11: Incidental costs (Q9)

Thinking about any money that you might have spent in trying to put things right, did you incur any incidental costs such as postage (say for letters of complaints, or sending things back), telephone calls, travel or fuel to visit shops or premises?

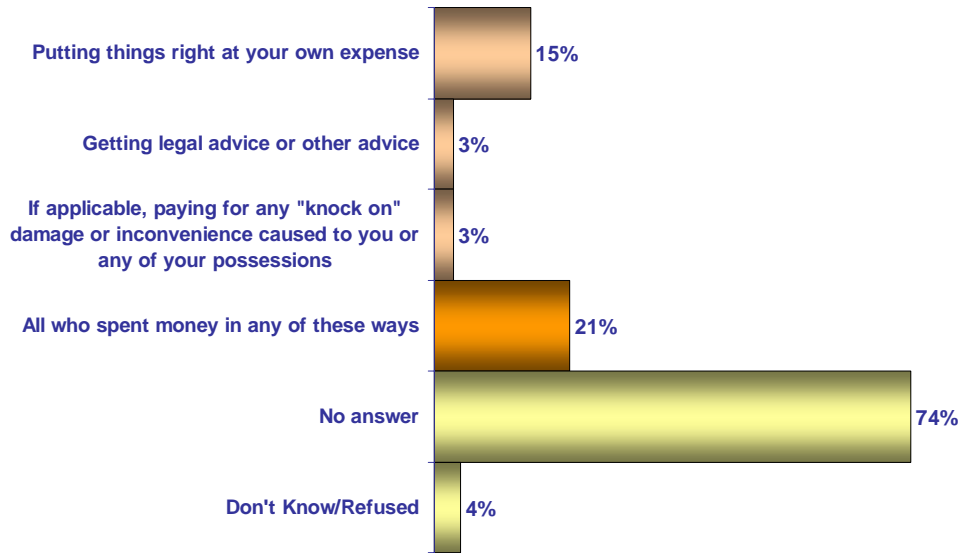


Base: All problems (5423)

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## Chart 4.12 Areas of spending (Q10)

Did you spend any money in any of the following ways?

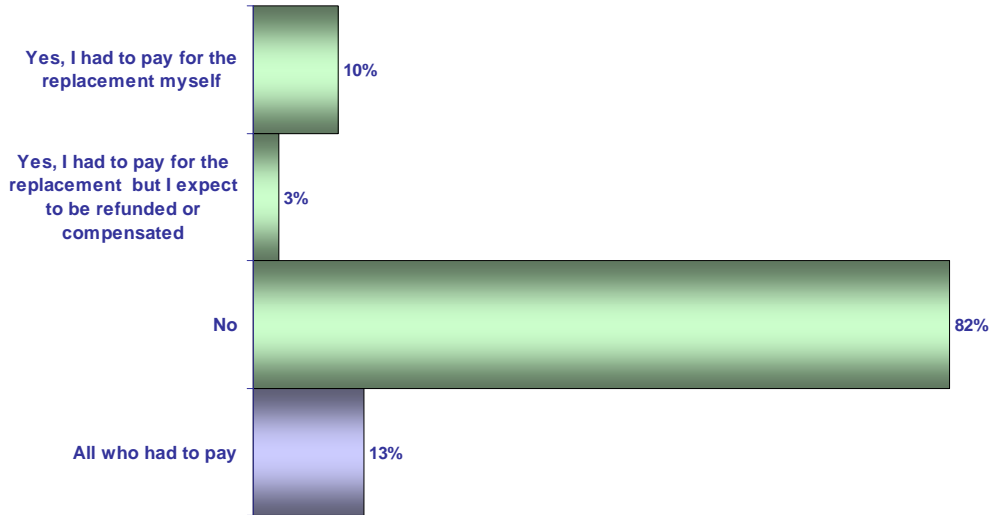


Base: All problems (5423)

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**Chart 4.13: Replacement costs (Q11)**

**Did you have to replace the goods or pay to have the service provided again?**



Base: All problems (5423)

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4.12 Financial detriment appears to be experienced most fiercely in the reduction in value of the goods concerned, where the average financial detriment per problem is stated to be £108. Amounts spent to resolve the problem and due to knock-on damage are substantial, although lower: the mean spending in these areas is £51 and £46 respectively.

**Chart 4.14: Detriment breakdown (Q4) – by spending in particular ways**

Where you have spent money in a particular way, please tell me how much you have spent.



Base: All problems at stage 2 (1489), a (709), b (284), c (19), d (33), e (237), f (142), g (81), h (10), i (86)

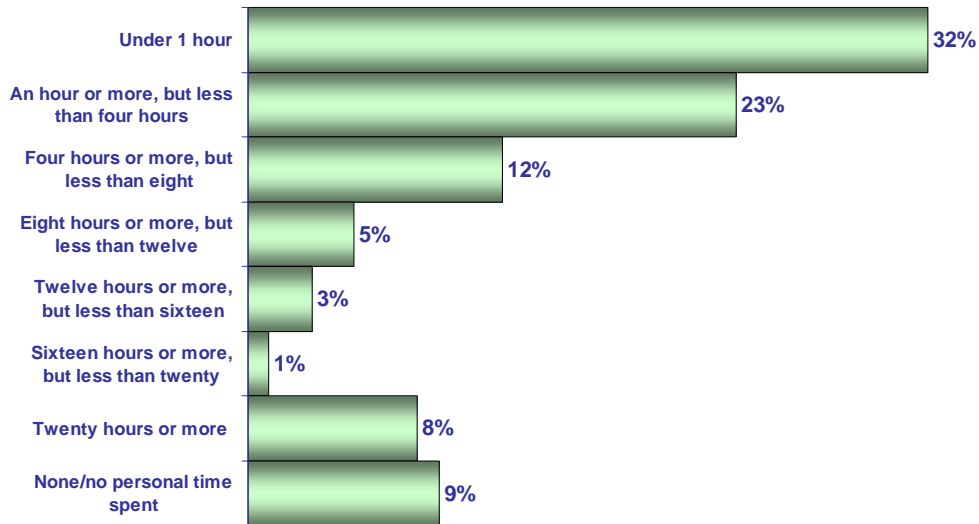
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## 5 OTHER IMPACTS OF CONSUMER PROBLEMS

- 5.1 Detriment also involves other costs, for instance in terms of personal time spent in trying to resolve the problem. In around one third (32 per cent) of all problems, respondents say they spent less than one hour trying to put things right. However, in around one quarter of problems (23 per cent), consumers spent one to four hours of their personal time rectifying the problem. Indeed, in eight per cent of cases, consumers said they spent over 20 hours of their personal time on the problem.
- 5.2 During the second stage survey, respondents were asked again about personal time spent on the problem, but this time were reminded of the different ways in which they may have tried to put things right. As such, the second interview should capture a more accurate and detailed answer. The proportion of problems where respondents spent more than 20 hours remains stable (seven per cent compared with eight per cent). The proportion of problems where respondents claim to have spent under an hour on the problem is slightly smaller at stage two, at 27 per cent.

## Chart 5.1: Personal time spent (Q13)<sup>12</sup>

Thinking about the problem again. Have you spent any personal time yourself in trying to put things right?



Base: All problems (5423)

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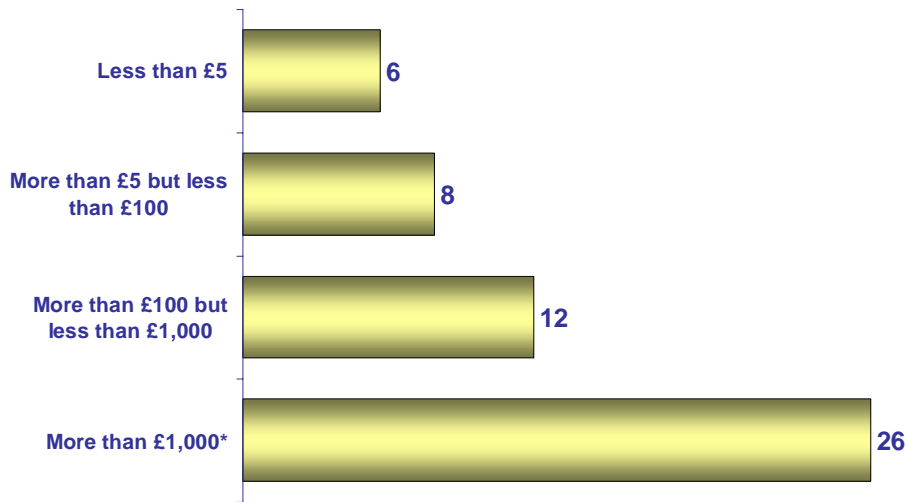
5.3 The average amount of personal time spent on trying to put things right increases with the level of detriment. The first three strata (detriment levels below £1,000) respectively spent an average of 6, 8 and 12 hours on the problem. There is a sharp increase between the third and fourth strata, as respondents spent an average of 26 hours on problems that cost them more than £1,000.

---

<sup>12</sup> Stage one data.

**Chart 5.2: Personal time spent (Q5) - mean number of hours by detriment<sup>13</sup>**

Thinking about the problem again, did you spend or have you spent any personal time yourself in trying to put things right, this includes time spent preparing what to say or travelling to a company's premises?



Base: All problems at stage 2 (1489)

\*Small sample size

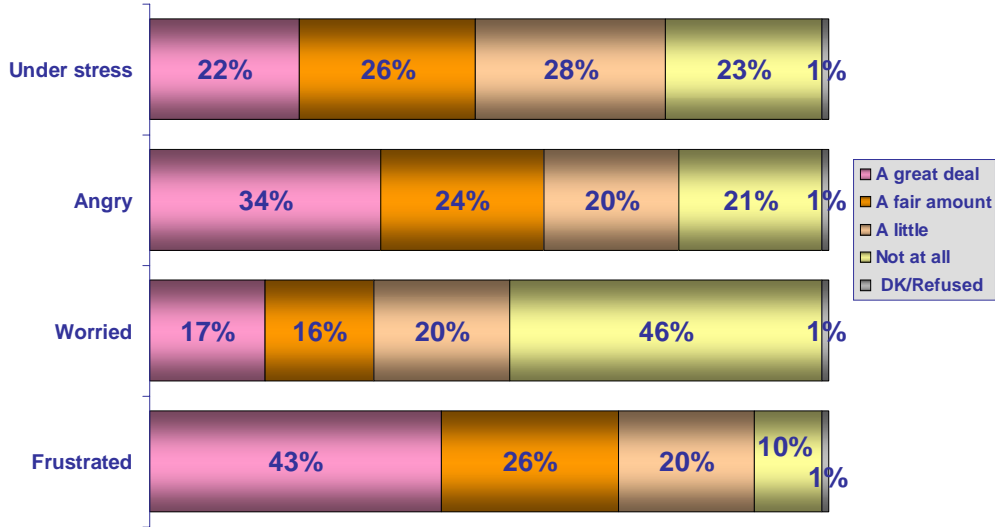
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5.4 Another aspect of detriment is the psychological effects of the problem on consumers. In about two in five cases (43 per cent), respondents said they felt 'a great deal' frustrated. Around a third of problems (34 per cent) resulted in consumers feeling 'a great deal' angry.

<sup>13</sup> Stage two data.

### Chart 5.3: Psychological effects

Looking at the options on this card, during the period of the problem taking place, to what extent have you felt...?



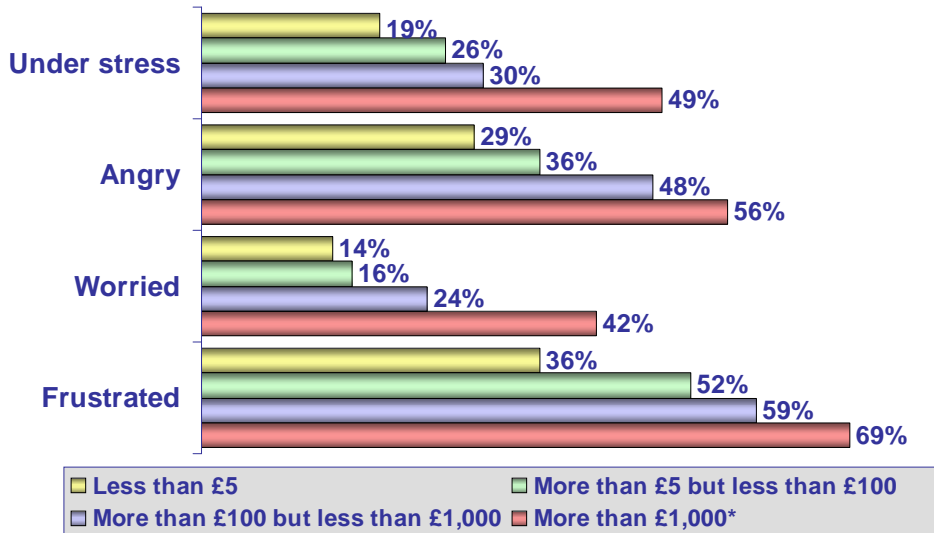
Base: All problems at stage 2 (1489)

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5.5 Psychological effects are proportional to detriment levels. Respondents are more likely to report psychological effects for high detriment problems. This trend is particularly clear for feelings of anger and frustration. Twenty-nine per cent of problems with a detriment level below five pounds led to feelings of anger, compared with 56 per cent of problems in the over £1,000 stratum. These proportions are respectively 36 per cent and 69 per cent for feelings of frustration.

**Chart 5.4: Psychological effects – percentage affected 'a great deal':  
By detriment (Q4)<sup>14</sup>**

Looking at the options on this card, during the period of the problem taking place, to what extent have you felt...?



Base: All problems at stage 2 (1489)

\*Small sample size

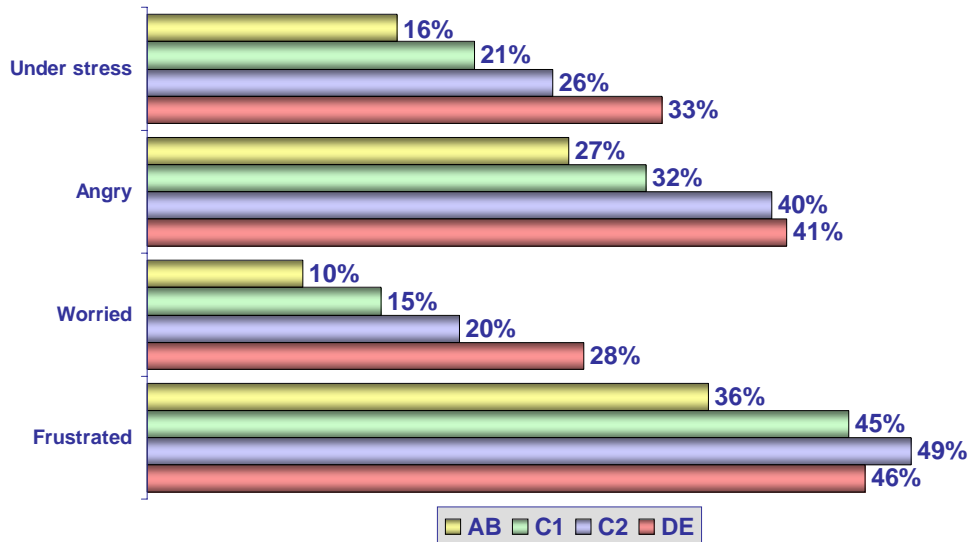
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5.6 Psychological effects tend to vary with social grades. AB respondents are less likely and DE respondents more likely than others to experience these effects. This trend is particularly significant for stress, anger and worry. In contrast, feelings of frustration are relatively stable across three social grades and affect similar proportions of C1 (45 per cent), C2 (49 per cent) and DE (46 per cent) respondents. AB respondents are slightly less affected with 36 per cent reporting such feelings.

<sup>14</sup> Detriment mentioned at question 4 of the follow-up interview (stage 2).

## Chart 5.5: Psychological effects – percentage affected 'a great deal': By social grade

Looking at the options on this card, during the period of the problem taking place, to what extent have you felt...?



Base: All problems at stage 2 (1489)

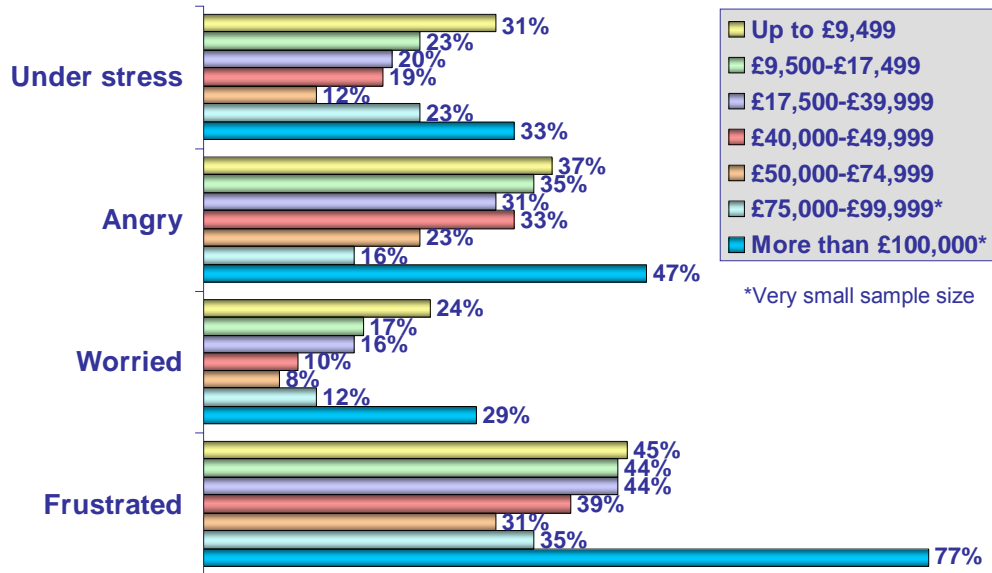
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5.7 Respondents whose income is below £9,499 are more likely than others to have felt stressed. The threshold is higher for anger and frustration, as respondents whose income is below £50,000 are more likely to have experienced these feelings.<sup>15</sup>

<sup>15</sup> N.B The very small sample size for the income band above £100,000 prevents the analysis of significant differences.

**Chart 5.6: Psychological effects – percentage affected 'a great deal':  
By total household income<sup>16</sup>**

Looking at the options on this card, during the period of the problem taking place, to what extent have you felt...?



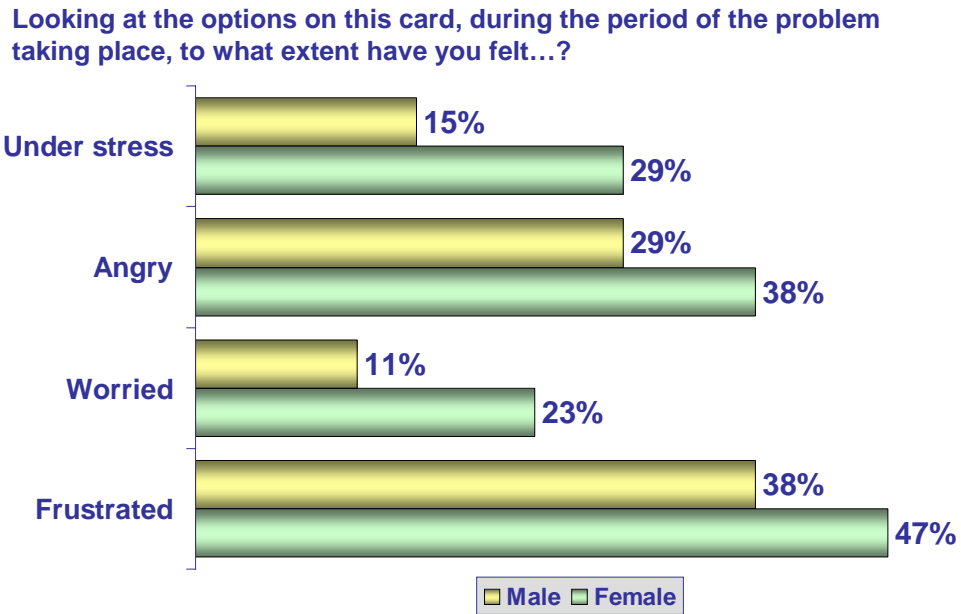
Base: All problems at stage 2 experienced by respondents who stated their income (1230)

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<sup>16</sup> Income questions usually meet with a higher proportion of refusals than average. In this instance, 1230 respondents (83 per cent of the total) answered.

5.8 Men are significantly less likely than women to feel under stress, angry, worried or frustrated by the problems.

**Chart 5.7: Psychological effects – percentage affected 'a great deal':  
By gender**



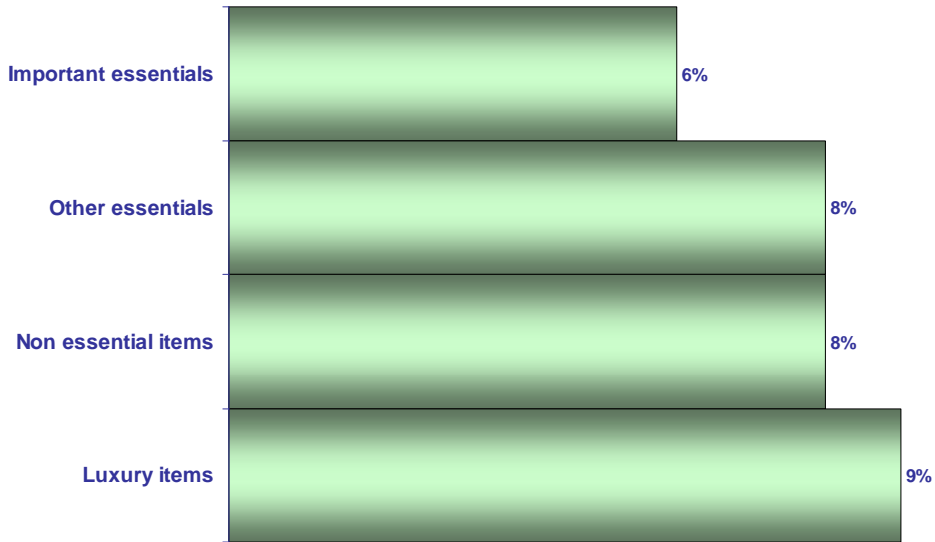
Base: All problems at stage 2 (1489)

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5.9 Effects on respondents' welfare are less evident. In six per cent of cases, the problem and its associated financial detriment had an impact on the ability of respondents to spend on important essentials such as a mortgage, rent or bills. This figure is eight per cent for other essentials such as food and clothing, and for non-essential items. Spending on luxury items is affected in nine per cent of cases.

### Chart 5.8: Welfare effects (Q18a) – Percentage reporting an impact on spending

Thinking about the problem again and all of the costs it has caused you, has it impacted at all upon your ability to spend on any of the following:



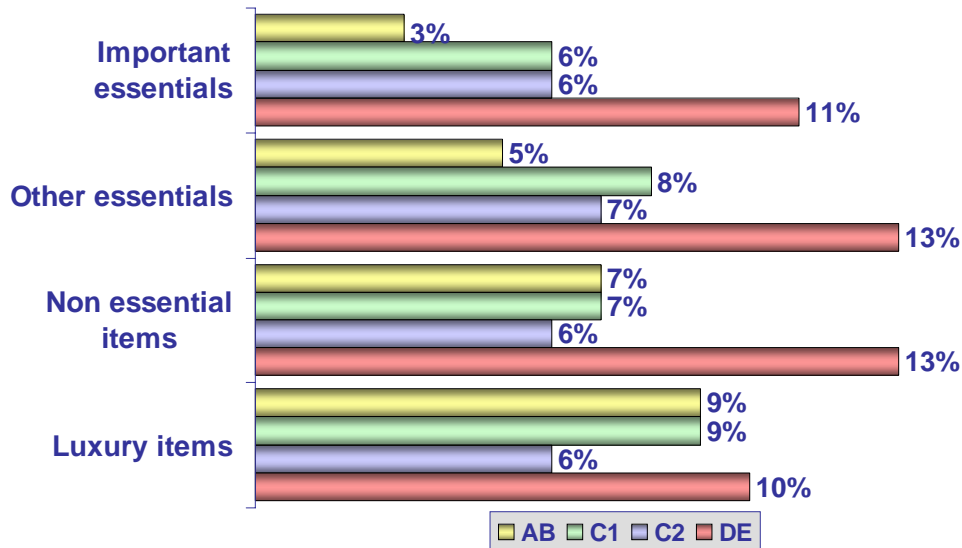
Base: All problems at stage 2 (1489)

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5.10 The impact of detriment on welfare varies across social grades. AB respondents' ability to spend on important essentials was affected in three per cent of cases, and in five per cent of cases for other essentials. In comparison, DE respondents experienced such an impact in 11 per cent and 13 per cent of cases. This difference between social grades is slightly less pronounced for luxury items.

**Chart 5.9: Welfare effects (Q18a) – Percentage reporting an impact on spending: By social grade**

Thinking about the problem again and all of the costs it has caused you, has it impacted at all upon your ability to spend on any of the following?



Base: All problems at stage 2 (1489)

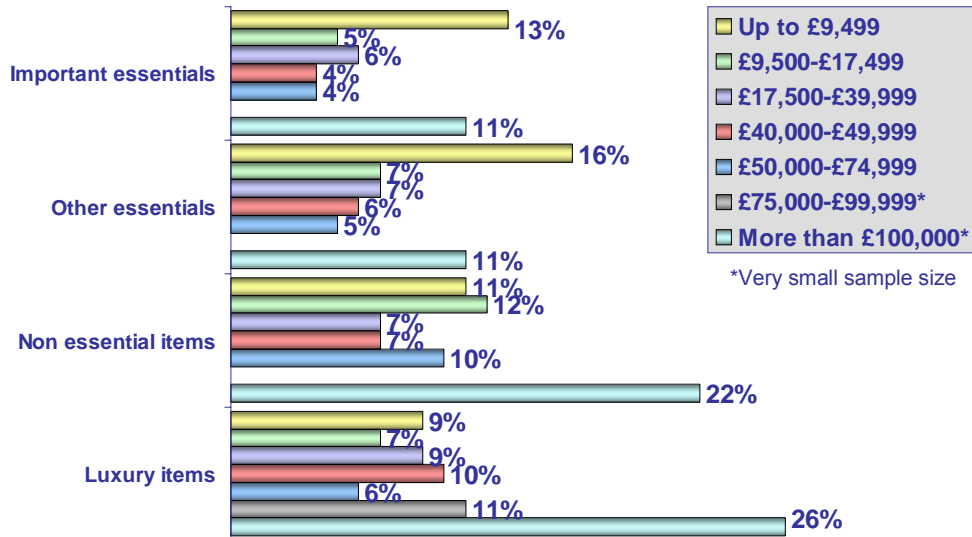
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5.11 Respondents whose income is below £9,499 are more likely than others to have experienced an impact on their ability to spend on important essentials and other essentials.<sup>17</sup>

<sup>17</sup> Income questions usually meet with a higher proportion of refusals than average. In this instance, 1200 respondents (83 per cent of the total) answered.

**Chart 5.10: Welfare effects (Q18a) – Percentage reporting an impact on spending: By total household income<sup>18</sup>**

Thinking about the problem again and all of the costs it has caused you, has it impacted at all upon your ability to spend on any of the following?



Base: All problems at stage 2 experienced by respondents who stated their income (1230)

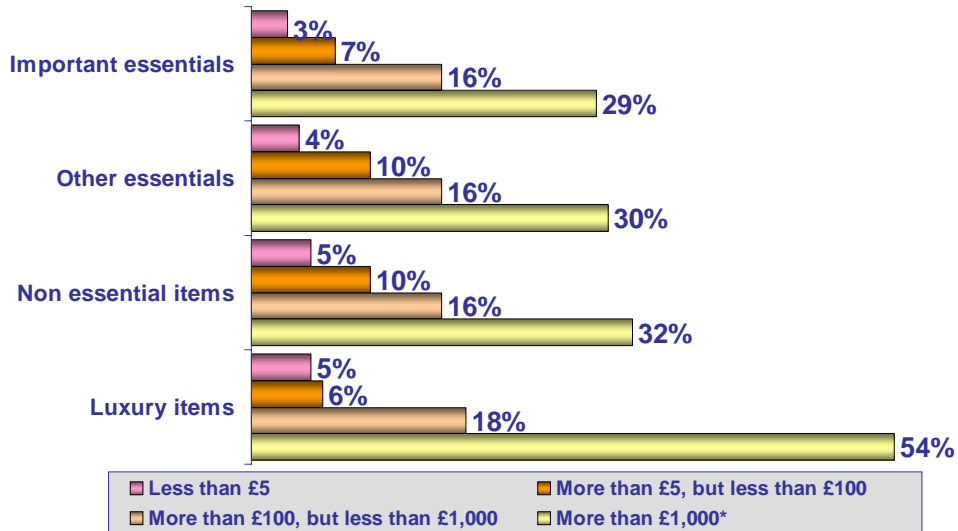
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**5.12** Welfare effects are proportional to detriment levels. Twenty-nine per cent of problems with a detriment level above £1,000 had an impact on the ability to spend on essential items, compared with three per cent of problems when there was a detriment level below five pounds. However, the gap is wider when comparing spending on luxury items: consumers reported an impact in five per cent of cases involving detriment less than five pounds and 54 per cent of problems involving more than £1,000. This shows that the biggest welfare effects tend to occur in relation with high detriment levels.

<sup>18</sup> N.B The very small sample size for the income band above £100,000 prevents the analysis of significant differences.

**Chart 5.11: Welfare effects (Q18a) – Percentage reporting an impact on spending: By detriment<sup>19</sup>**

Thinking about the problem again and all of the costs it has caused you, has it impacted at all upon your ability to spend on any of the following:



Base: All problems at stage 2 (1489)

\*Small sample size

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5.13 Some types of financial detriment are more likely to occur in relation with specific categories of products or services. Car repairs, water and insurance problems are mentioned most often in relation to knock-on damage or inconvenience. Respondents most often report having to put things right at their own expense when they experienced problems with the following: PCs, internet facilities, glazing products, food and drink, and water.

5.14 The proportion of problems for which respondents had to pay for replacement varies across categories. It is lower than average for domestic fuel, medical goods and services, and personal banking. It is

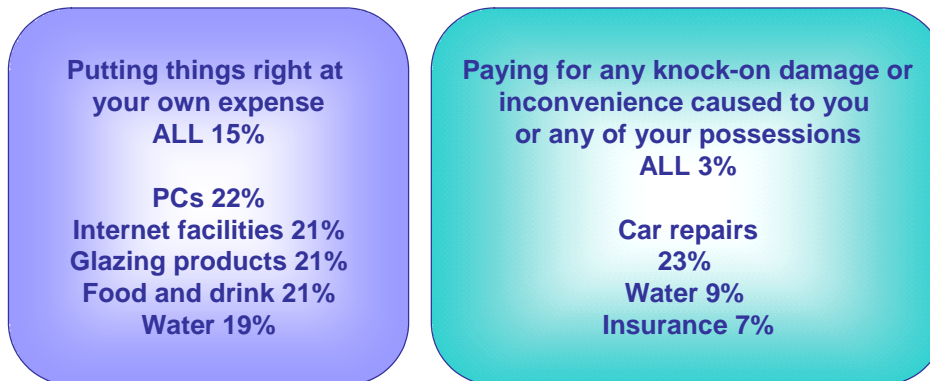
<sup>19</sup> Detriment mentioned at question 4 of the follow-up interview (stage 2).

higher than average for car repairs, large domestic appliances and insurance.

### Chart 5.12: Type of financial detriment (Q10) – By category of product or service

Did you spend money in any of the following ways?

Respondents are more likely to have spent money in the following ways in relation to the following product/service categories:



Base: All problems (5423)

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5.15 About one in seven problems (15 per cent) led to financial detriment levels higher than £100. Respondents with one or more problems falling into the three highest financial detriment strata are also likely to have experienced a range of negative effects beyond financial loss. Indeed, levels of non-financial detriment, such as personal time spent and psychological or welfare effects are proportional to the levels of financial detriment experienced.

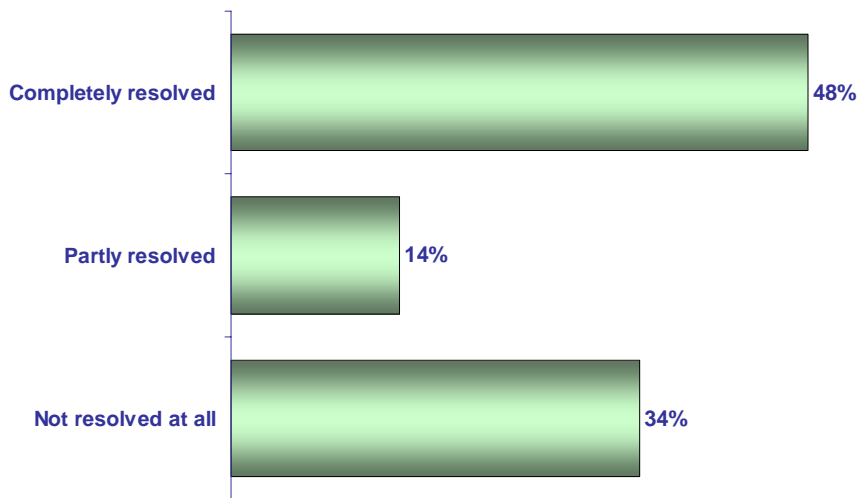
## 6 PROBLEM RESOLUTION AND CONSUMER SATISFACTION

### PROBLEM STATUS

6.1 Around half (48 per cent) of problems are considered resolved by respondents, while one third (34 per cent) are considered not resolved at all. Problems with clothing (67 per cent), PCs (64 per cent), small domestic appliances (64 per cent) and food and drink (63 per cent) are the most likely to be considered resolved. In contrast, problems with transport (15 per cent) are much less likely to be considered resolved, as are, to a lesser extent, problems with medical goods and services (33 per cent) and postal services (35 per cent).

**Chart 6.1: Problem status (Q6)**

From your point of view, is the problem completely resolved, partly resolved or not resolved at all?

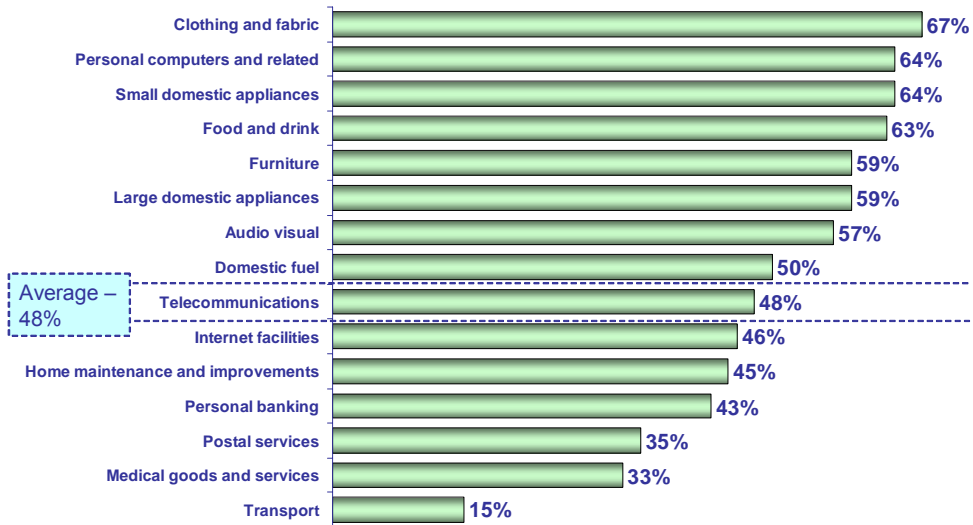


Base: All problems (5423)

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**Chart 6.2: Problem status (Q6) – percentage completely resolved by key products/services**

From your point of view, is the problem completely resolved, partly resolved or not resolved at all?



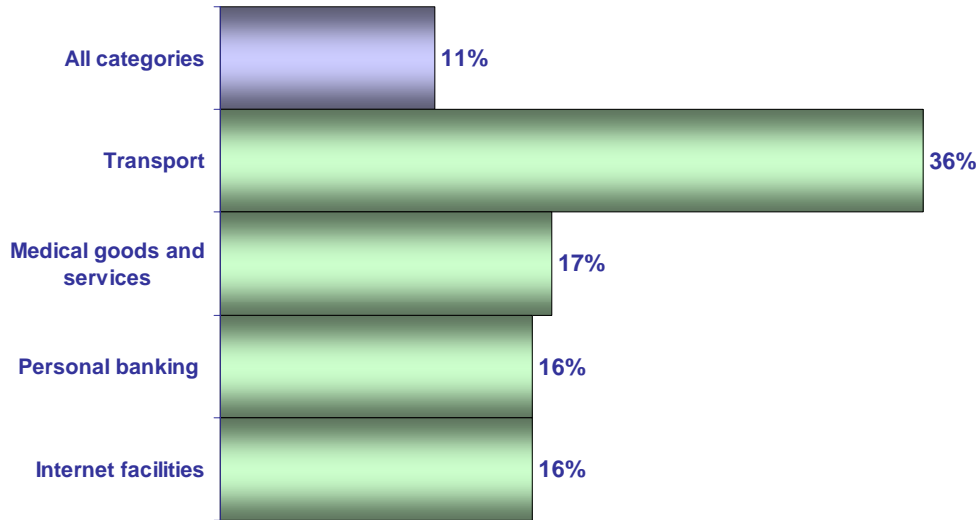
Base: All problems (5423)

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6.2 Some problems (identified as a type of problem related to a product or service category) occurred in several separate instances. Problems with transport are significantly more likely than other products to have occurred to a respondent in more than four separate instances within the last 12 months, with 36 per cent of cases, compared with 11 per cent across all categories overall.

### Chart 6.3: Number of separate problems in the last 12 months (Q4) – By category

Proportion of problems which respondents experienced in more than 4 separate instances in the last 12 months

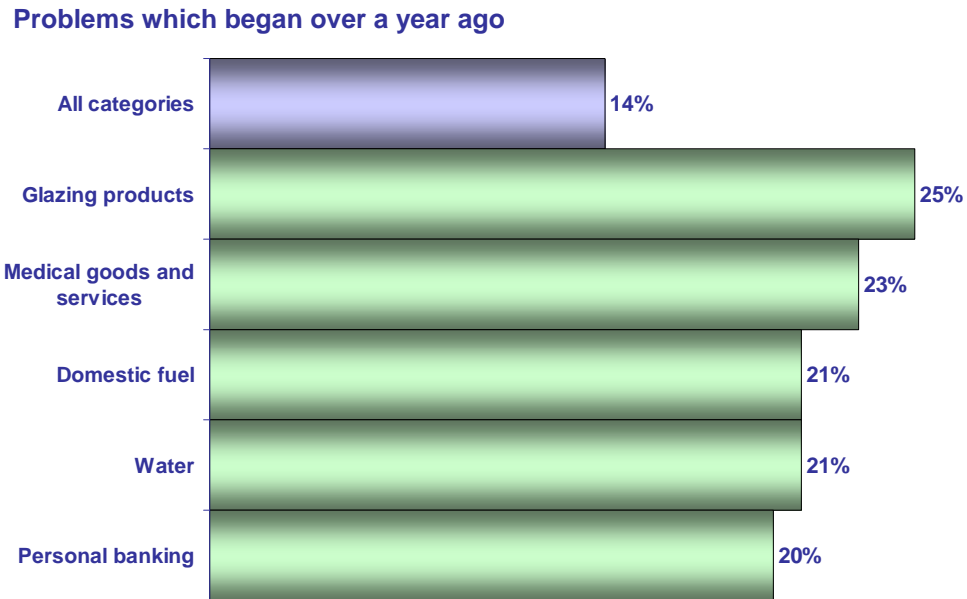


Base: All problems (5423)

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6.3 Regarding problems' length, 25 per cent of problems with glazing products and 23 per cent of medical goods and services problems began over a year ago. Other categories with a high proportion of long-term problems are domestic fuel (21 per cent), water (21 per cent) and personal banking (20 per cent).

## Chart 6.4 Beginning of the problem (Q5) – By category



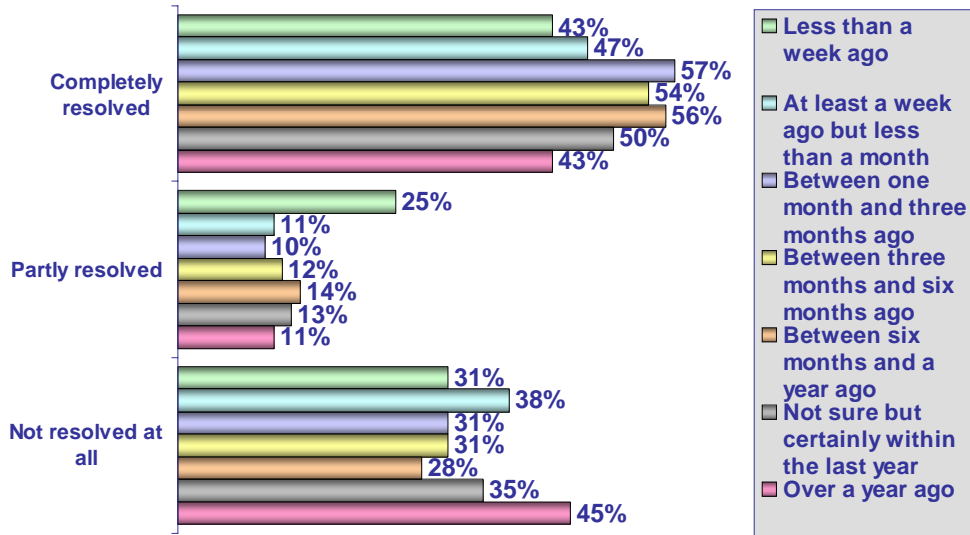
Base: All problems (5423)

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- 6.4 Long-term problems are not necessarily more advanced in term of resolution than those of lesser duration. Around two in five (43 per cent) of problems which started less than a week ago are considered resolved. The proportion of problems which started over a year ago and are considered completely resolved is 43 per cent, while 45 per cent of these are considered not at all resolved. This is quite a sizeable proportion of long-term problems which have remained unresolved for over a year and may never be resolved. It is also important to remember that resolution of the problem does not always mean satisfaction. Actually, in about one in five (19 per cent) of cases, respondents who consider their problem resolved are dissatisfied with the outcome.

## Chart 6.5: Problem status (Q7) by problem length

From your point of view, is the problem completely resolved, partly resolved or not resolved at all?



Base: All problems at stage 2 (1489)

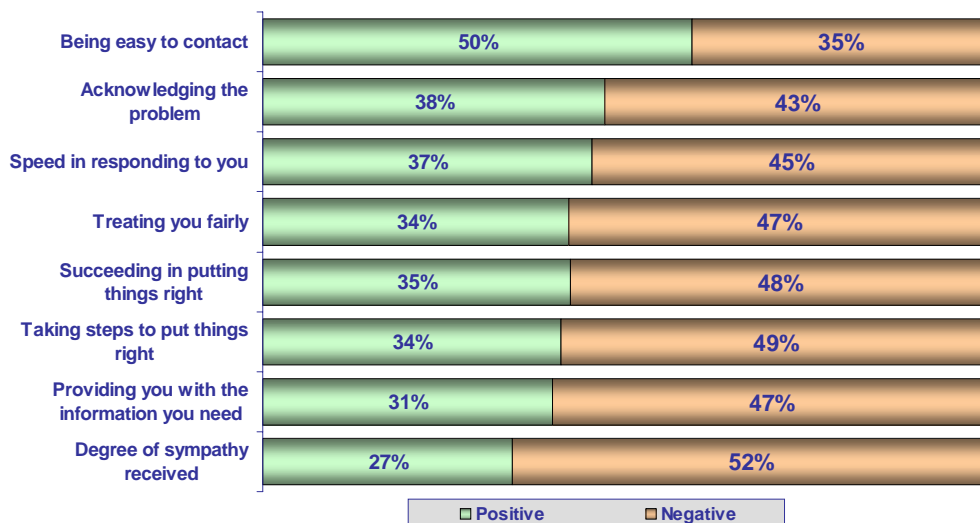
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## SATISFACTION

- 6.5 The second interview probed for satisfaction with the company which provided the good or service. Respondents were asked to rate different aspects of their experience on a seven points scale, from extremely positive to extremely negative. Of the eight different aspects rated, satisfaction is the highest with companies 'being easy to contact.' Even for this aspect, only in 50 per cent of cases did respondents consider this experience positive.
- 6.6 'Acknowledging the problem' is next most positively rated, with 38 per cent of respondents having positive opinions. However, more respondents give a negative rating than a positive one for this aspect. In terms of perceptions of the degree of sympathy received and of the company providing information, respondents reported positive experiences on these aspects in 27 per cent and 31 per cent of cases respectively.

## Chart 6.6: Satisfaction (Q13)

For each of the following I am going to read out, please tell me how positive or negative you would say your experiences were/have been in dealing with this company/firm about your problem.



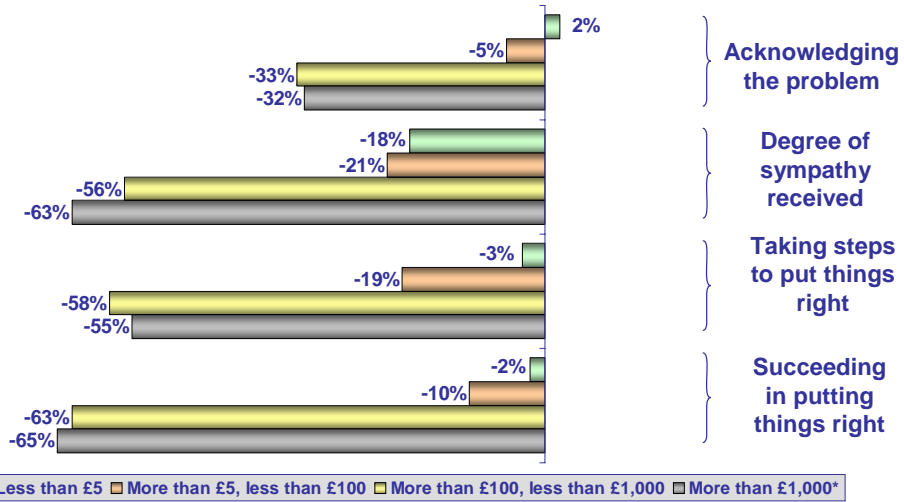
Base: All problems at stage 2 (1489)

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6.7 Positive perceptions, if measured by the net positive figure (percentage positive minus percentage negative), tend to decrease as financial detriment levels increase. Being easy to contact is rated slightly more positively than other aspects, with net positive figures of 26 for detriment levels below five pounds and minus 15 for detriment levels above £1,000.

**Chart 6.7: Satisfaction (Q13) – Net positive by detriment (1)<sup>20</sup>**

For each of the following I am going to read out, please tell me how positive or negative you would say your experiences were/have been in dealing with this company/firm about your problem.



Base: All problems at stage 2 (1489)

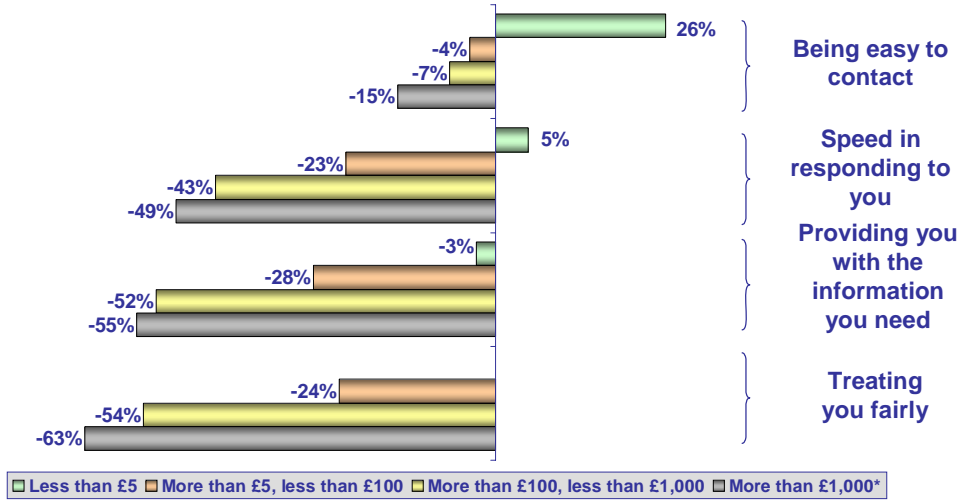
\*Small sample size

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<sup>20</sup> Detriment mentioned at question 4 of the follow-up interview (stage 2).

**Chart 6.8: Satisfaction (Q13) – Net positive by detriment (2)<sup>21</sup>**

For each of the following I am going to read out, please tell me how positive or negative you would say your experiences were/have been in dealing with this company/firm about your problem.



Base: All problems at stage 2 (1489)

\*Small sample size

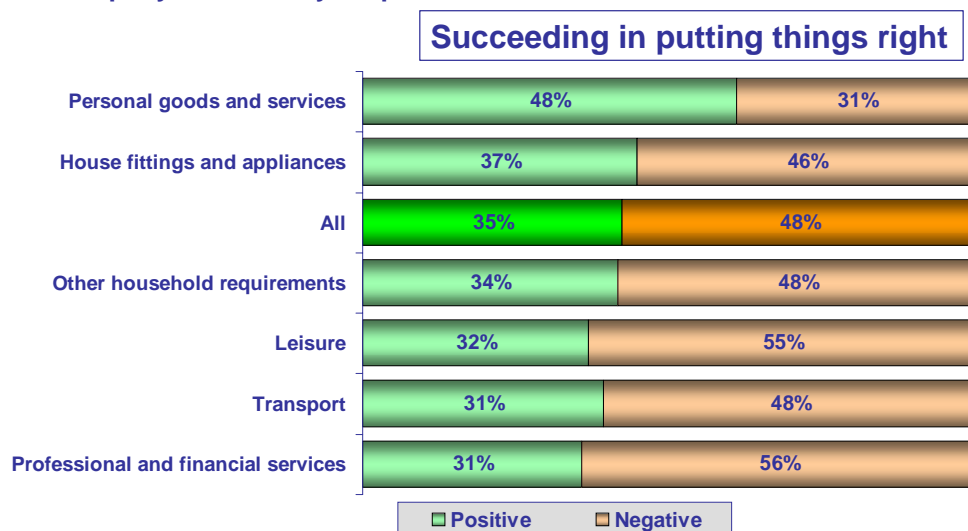
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<sup>21</sup> Detriment mentioned at question 4 of the follow-up interview (stage 2).

6.8 The proportion of positive ratings received for the company 'succeeding' in putting things right varies greatly by type of goods or services. It is 35 per cent overall, with personal goods and services problems rated more positively than average with 48 per cent of positive ratings. In contrast, consumers are less positive about 'transport' and 'professional goods and services' problems, which both received 31 per cent of positive opinions. These trends are even more obvious when considering the net positive figure for this aspect, with minus 25 for 'professional goods and services,' compared with plus 18 for personal goods and services.

**Chart 6.9: Satisfaction (Q13) – Percentage positive by product or service category (1)**

For each of the following I am going to read out, please tell me how positive or negative you would say your experiences were/have been in dealing with this company/firm about your problem.

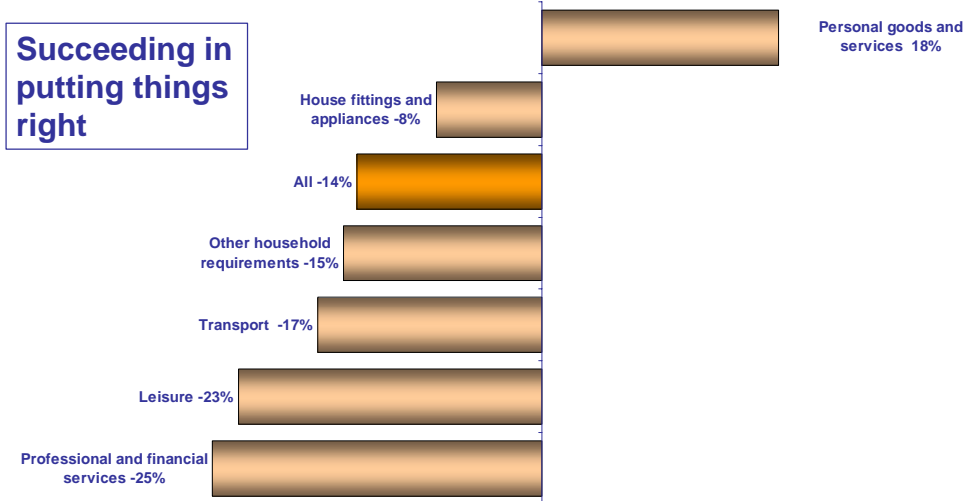


Base: All problems at stage 2 (1489)

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**Chart 6.10: Satisfaction (Q13) – Net positive by product or service category (1)**

For each of the following I am going to read out, please tell me how positive or negative you would say your experiences were/have been in dealing with this company/firm about your problem.



Base: All problems at stage 2 (1489)

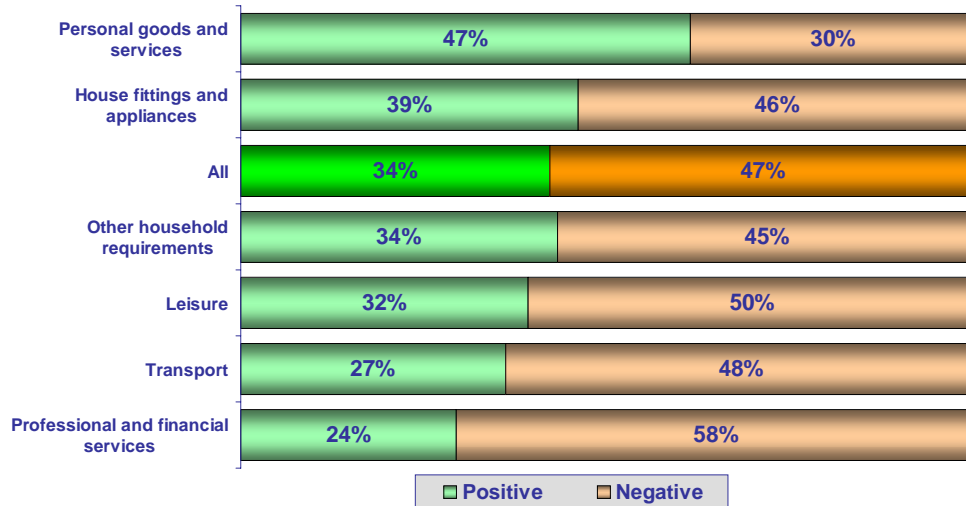
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6.9 The same observations apply to perceptions of 'fair treatment', with 'personal goods and services' problems receiving the most positive ratings and 'professional goods and services' and 'transport' the least.

## Chart 6.11: Satisfaction (Q13) – Percentage positive by product or service category (2)

For each of the following I am going to read out, please tell me how positive or negative you would say your experiences were/have been in dealing with this company/firm about your problem.

Treating you fairly

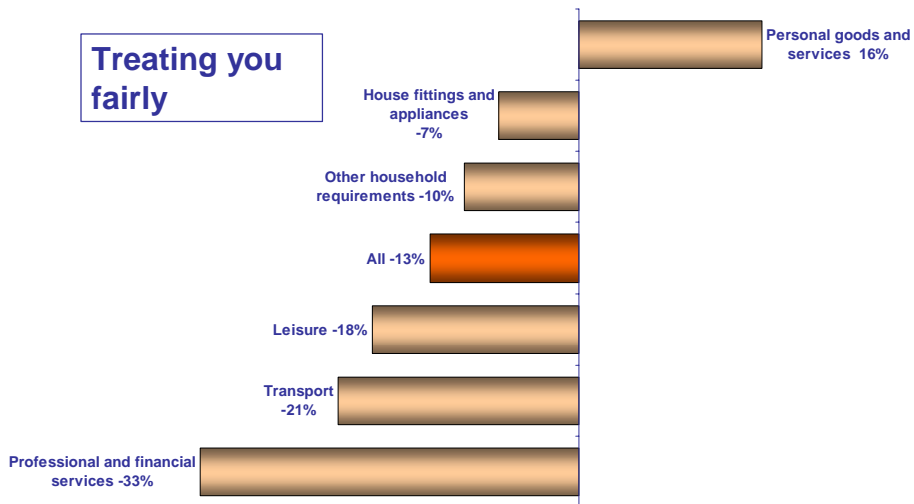


Base: All problems at stage 2 (1489)

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## Chart 6.12: Satisfaction (Q13) – Net positive by product or service category (2)

For each of the following I am going to read out, please tell me how positive or negative you would say your experiences were/have been in dealing with this company/firm about your problem.



Base: All problems at stage 2 (1489)

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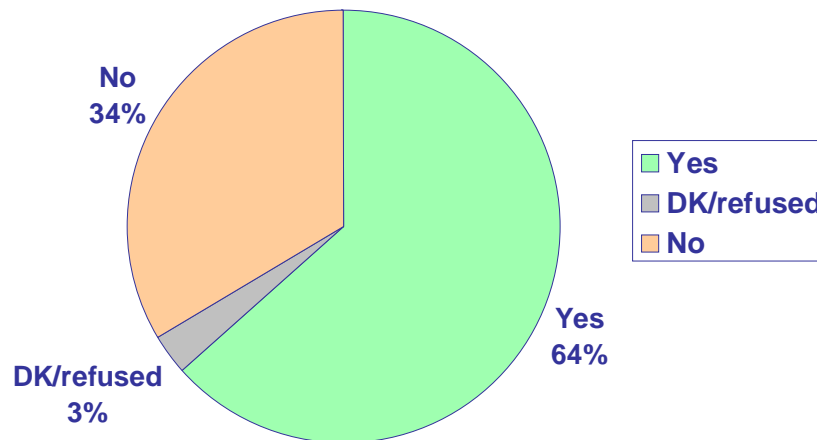
## 7 COMPLAINING AND FUTURE BEHAVIOUR

### Complaining behaviour

7.1 Respondents complained or did something about the problem in almost two thirds (64 per cent) of cases. Almost four in five insurance problems (77 per cent) resulted in a complaint or other action, while respondents took action in around three-quarters of personal banking (74 per cent), internet facilities (73 per cent) and domestic fuel (72 per cent) problems. In contrast, respondents complained in less than half of problems related with medical goods and services (48 per cent), transport (46 per cent) and postal services (43 per cent).

**Chart 7.1: Complaints (Q8)**

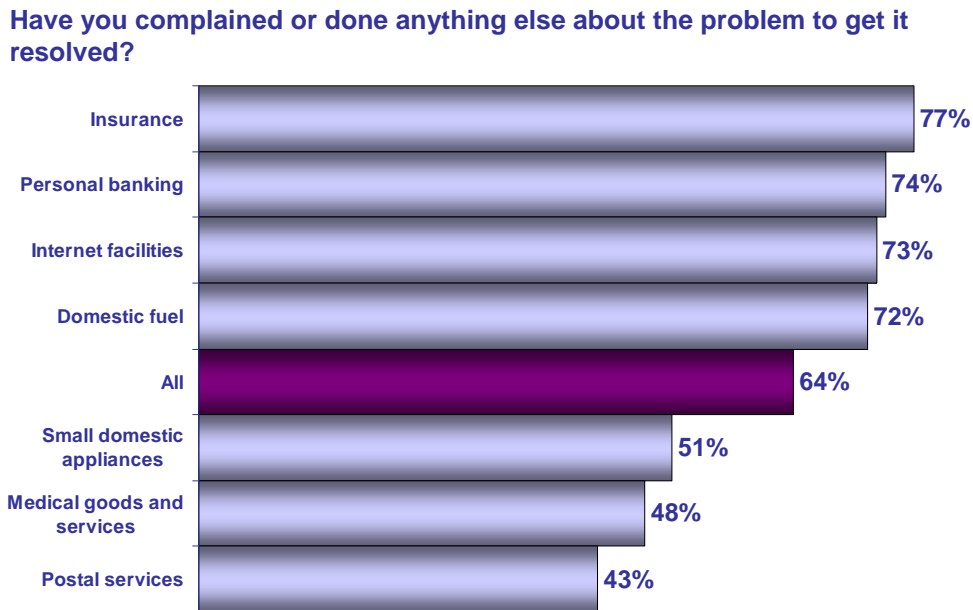
Have you complained or done anything else about the problem to get it resolved?



Base: All problems (5423)

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**Cart 7.2: Proportion of complaints (Q8) – percentage who have taken action: By category (Q1a)**



Base: All problems (5423)

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7.2 The OFT collects data on complaints by product/service category through the consumer helpline Consumer Direct. Consumers who complained reported complaining through this channel in three per cent of cases.<sup>22</sup> This data can be matched with the incidence of problems by category as identified in the survey. Where complaints incidence is higher than problems incidence, respondents are more likely to have complained to Consumer Direct than average. This is the case for home maintenance and improvements, furniture and second hand cars. Complaints incidence is lower than problems incidence for postal services, domestic fuel, personal banking, insurance and internet facilities. This is an expected result as there are a number of agencies with specific responsibilities for certain types of consumer issues

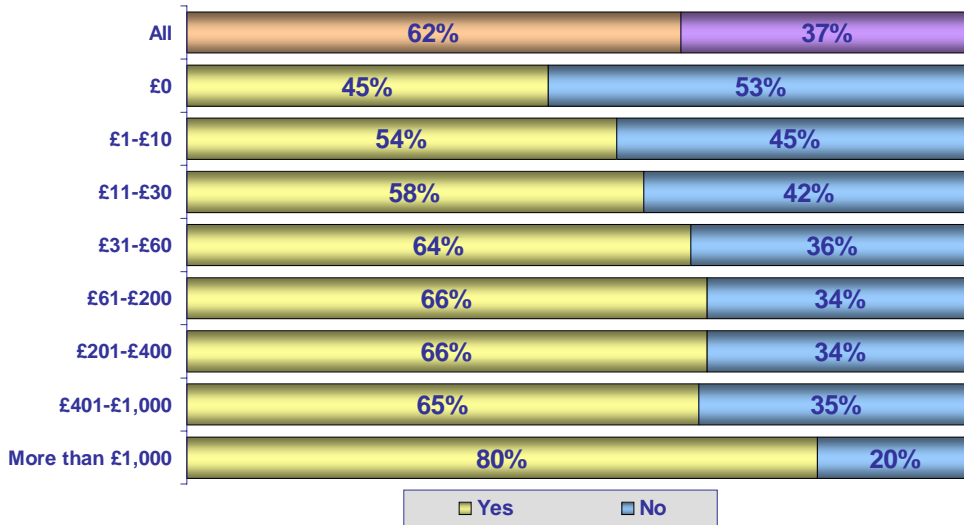
<sup>22</sup> See chart 2.55 for more details.

including the Financial Ombudsman Service, Postwatch, and Energywatch among others.

- 7.3 The alignment of complaints and problems is slightly different when using complaints data from the survey and from Consumer Direct. Postal services problems have a similar ratio of problems to complaints in the two data sets. However, insurance, personal banking, internet facilities and domestic fuel problems have a higher than average ratio of problems to complaints when analysing complaints data from the survey, and lower than average when analysing data from Consumer Direct. This may show that, while consumers are more likely to complain about these problems, they are less likely to complain to the OFT and Consumer Direct. The existence of a wide range of other organisations dealing with complaints may explain part of the discrepancy between problems and complaints incidence.
- 7.4 The proportion of cases where respondents took action increases with the price of the good or service (when it has been paid for all at one time). It increases slightly with the price of goods and services between £1 and £1,000. There seems to be a threshold at £1,000, as respondents took action in about 80 per cent of these cases, a significant increase in comparison with lower bands.

**Chart 7.3: Proportion of complaints (Q8) – By price (paid all at one time) (Q7b)**

Have you complained or done anything else about the problem to get it resolved?



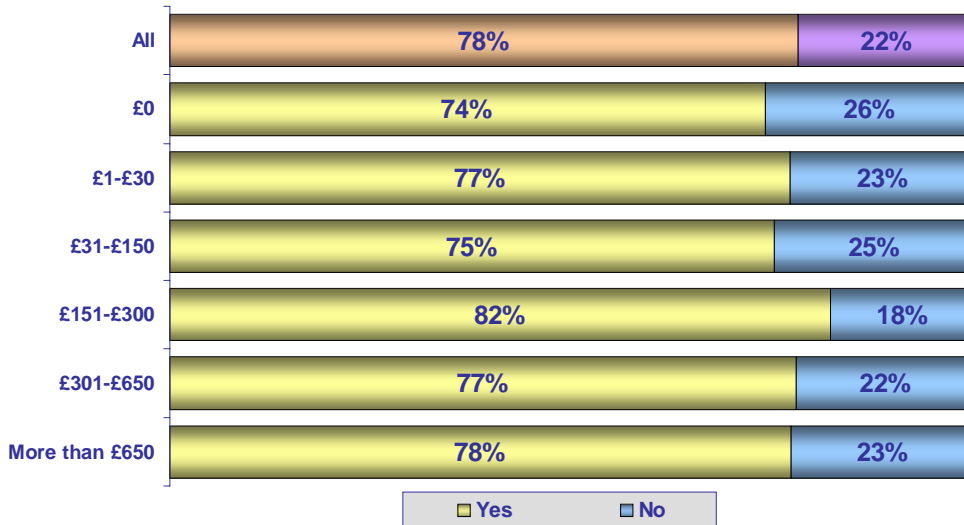
Base: All problems (5423)

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7.5 The proportion of those taking action about the problem is higher on average when the product or service has been paid for by instalments than for purchases made all at one time. Although this proportion varies little by price, respondents have taken action in three-quarters of problems or more in every single price band.

**Chart 7.4: Proportion of complaints (Q8) – By price (paid by instalments) (Q7c)**

Have you complained or done anything else about the problem to get it resolved?



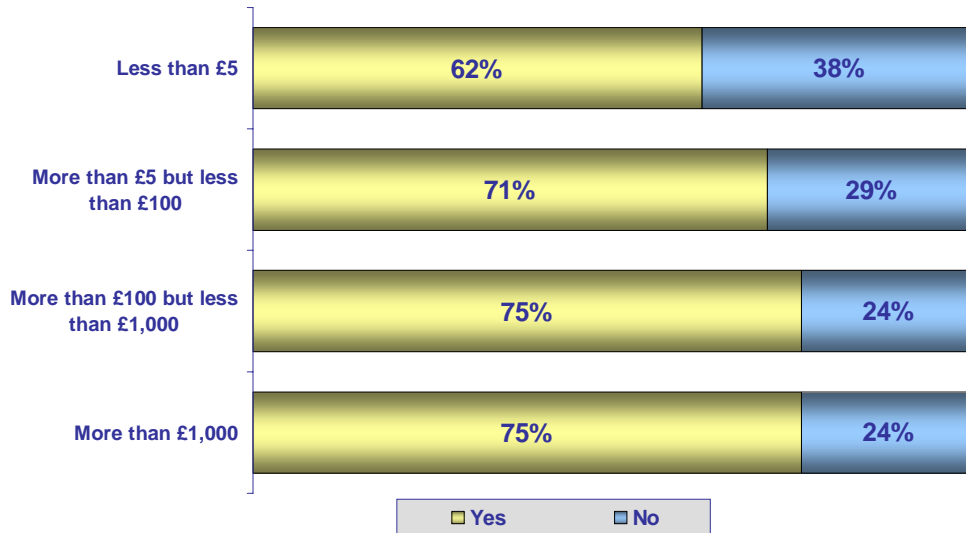
Base: All problems (5423)

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7.6 Respondents are more likely to have complained or taken action for higher value detriment. Around three in five (62 per cent) cases with less than five pounds detriment led to a complaint or other action, this increases to three-quarters (75 per cent) of problems with financial detriment levels above £100.

**Chart 7.5: Proportion of complaints (Q8) – By detriment (Q12)<sup>23</sup>**

Have you complained or done anything else about the problem to get it resolved?



Base: All problems (5423)

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7.7 These findings are supported by customers' answers to open-ended questions. When asked why they say that they will or will not take action, many respondents mention the 'hassle' of trying to solve the problem, in terms of time and money:

*'Time; frustration and cost factors all deter me.'*

*'It will be too big an issue for one person to resolve, it will cost too much money.'*

7.8 Some respondents decide not to take action because they feel that it is unlikely to have any effect on the problem. This is particularly the case when repeated contacts with the product or service provider do not begin to resolve the problem. As a result, a number of respondents decided to change provider and not pursue things any further.

<sup>23</sup> Detriment mentioned at question 12 of the omnibus interview (stage 1).

*'There's nothing else we can do. They are not listening to our problem or the problems of other customers who we know have also complained.'*

*'I will not take it further because I am not confident of getting a resolution.'*

*'I have changed suppliers.'*

- 7.9 In other cases, customers feel that taking action is 'worth it', either because the problem put them in an uncomfortable situation or because a significant amount of money is at stake. Solving the problem then becomes necessary, and the costs involved are more likely to be accepted:

*'I can't afford not to [take action] - I'm on the wrong tariff.'*

*'Because I need my bathroom.'*

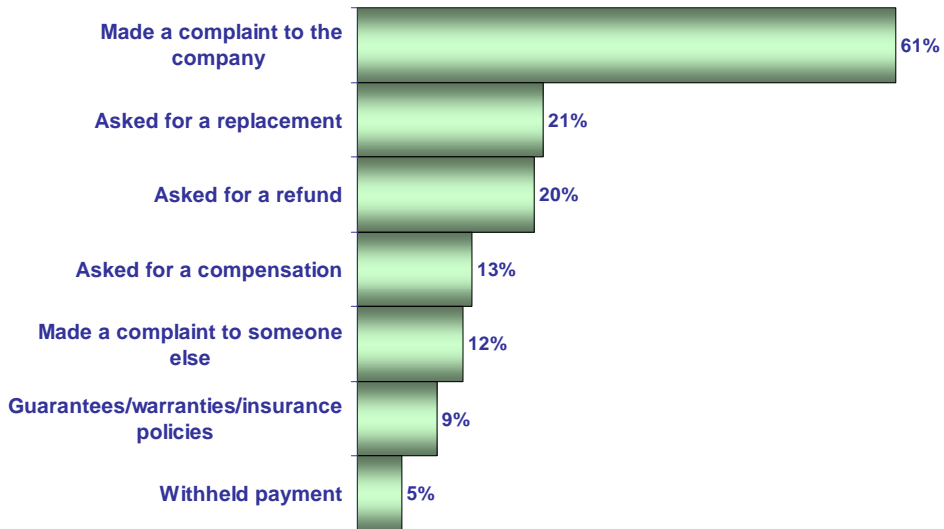
*'They owe me £700 so I will not give up.'*

- 7.10 The likelihood of making a complaint or taking other actions is linked to customers' perception of the loss resulting from the problem, in terms of money or well-being, as well as perceived additional costs and worry in trying to solve it. Consumers are more likely to complain about insurance and personal banking problems than other categories. These categories are also those with the highest average detriment levels. Problems with internet connections are also more likely to result in a complaint. This time the inconvenience caused by the problem may explain the higher incidence of complaints.
- 7.11 The most frequent way of taking action in relation to the problem is to make a complaint to the company where the product or service was obtained. Respondents took that action in around three in five (61 per cent) cases. In contrast, only 12 per cent of problems resulted in a complaint made to someone else. After complaining to the company, the next most frequent actions are asking the company for a replacement (21 per cent of problems) or a refund (20 per cent). In total, respondents

asked the company to take steps to solve the problem in around four in ten cases (45 per cent).

### Chart 7.6: Action/complaint (Q2a)

In which of the ways listed in the card did you take/have you taken action to solve the problem?



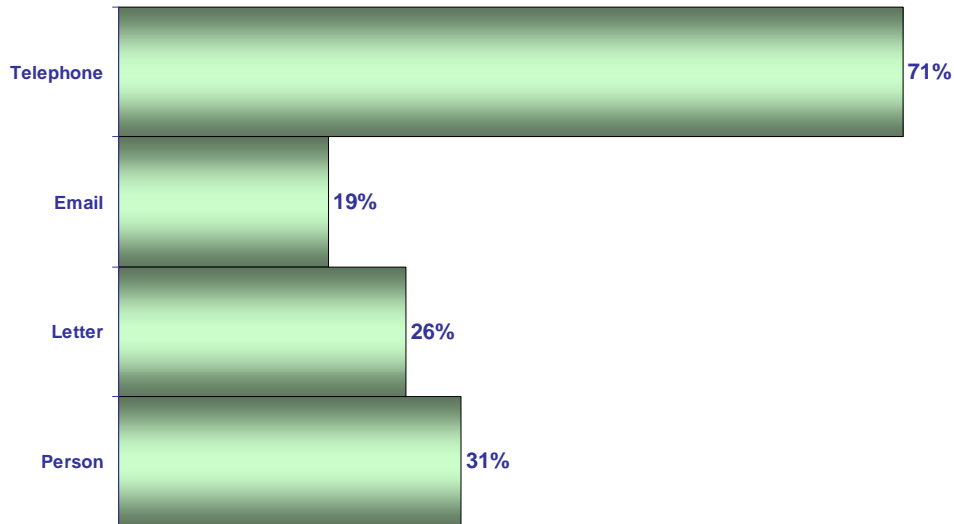
Base: All problems at stage 2 where respondents have taken action (1069)

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7.12 Respondents were asked which channel(s) they used to contact the company. Telephone is mentioned in seven in ten (71 per cent) of cases, contact in person in around a third (31 per cent) of cases, and a letter in a quarter (26 per cent) of cases. Nearly one in five (19 per cent) complained by email.

## Chart 7.7: Action/complaint - Channel (Q2b)

Through which of the following ways have you contacted the company/firm from where you obtained the product or service?

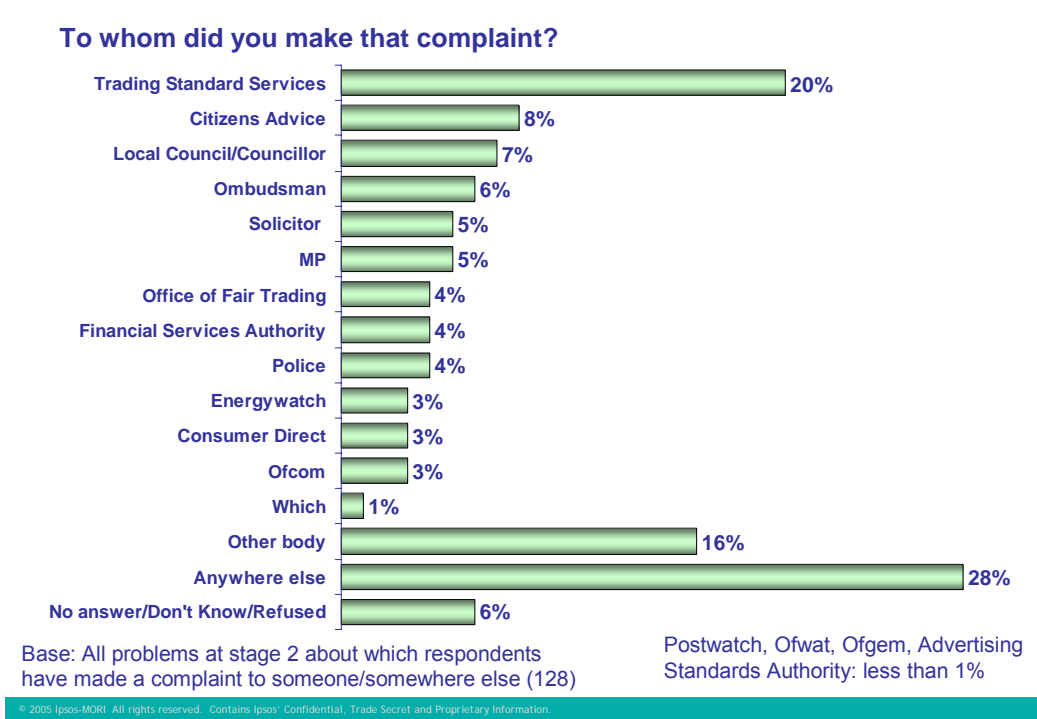


Base: All problems at stage 2 where respondents have taken action (1069)

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- 7.13 When reporting complaints to someone else than the product or service provider, respondents most often mentioned the Trading Standard Services (20 per cent) and Citizens Advice (8 per cent).
- 7.14 Respondents reported complaining to another body in 16 per cent of cases and a wide range of other organisations were also referred to in 28 per cent of cases. A significant proportion of these answers relate to specialised bodies and the press. This shows that a wide range of organisations are contacted about complaints.

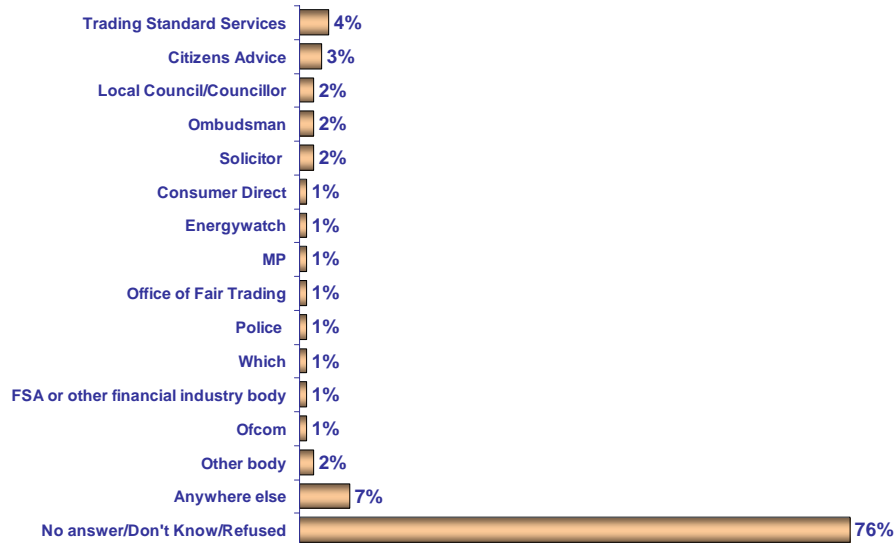
**Chart 7.8: Complaints - Organisations (Q3a)**



7.15 In some cases (24 per cent), consumers contacted organisations to obtain information, help or advice; although in most cases respondents did not report any such contact. Among respondents who contacted an organisation, the Trading Standard Services and Citizens Advice are again mentioned most often, in relation with four per cent and three per cent of all problems respectively. When respondents identified other sources of information and advice, family and friends are mentioned most often. Media, including the press, websites and TV channels come next.

## Chart 7.9: Contact - Organisations (Q3b)

Did you contact/have you contacted any organisations or firms to obtain information, help or advice regarding how to resolve your problem?



Base: All problems at stage 2 (1489)

Postwatch, Ofwat, Ofgem, Advertising Standards Authority: less than 1%

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## COMPANY'S RESPONSE AND FUTURE CONSIDERATION

7.16 In a quarter of cases (25 per cent), the company where the product or service was obtained has done nothing about the problem. Even when action has been taken, consumers are not always satisfied with the outcome. For around one in five (21 per cent) problems, respondents feel they have been given an unsatisfactory explanation, while satisfactory explanations are reported in only six per cent of cases.

7.17 Consumers reported that the company acknowledged the problem in 35 per cent of cases and apologised in one in five cases (21 per cent).

**Chart 7.10: Company's response (Q12)<sup>24</sup>**

**Which of these, if any, did the company do/has the company done so far?**



Base: All problems at stage 2 (1489)

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7.18 In instances where consumers have taken action,<sup>25</sup> companies are more likely to act on the problem. Respondents who have taken action report that the company has done nothing in 16 per cent of cases, compared with 25 per cent overall. In particular, the company is more likely to have acknowledged the problem (43 per cent compared with 35 per cent overall), investigated the problem (21 per cent compared with 16 per cent) and apologised (26 per cent compared with 21 per cent).

<sup>24</sup> 'Company took action' includes all cases for which respondents gave at least one answer other than 'Nothing' and 'Don't Know/Refused.'

<sup>25</sup> Respondents were asked at question 1 whether they had taken action to go about solving the problem. Their answers reflect their own perception of 'taking action' with regard to the problem.

**Chart 7.11: Company's response (Q12) – Taken action vs. all (Q1/20)**

Which of these, if any, did the company do/has the company done so far?



Base: All problems at stage 2 (1489), All problems at stage 2 where respondents have taken action (1046)

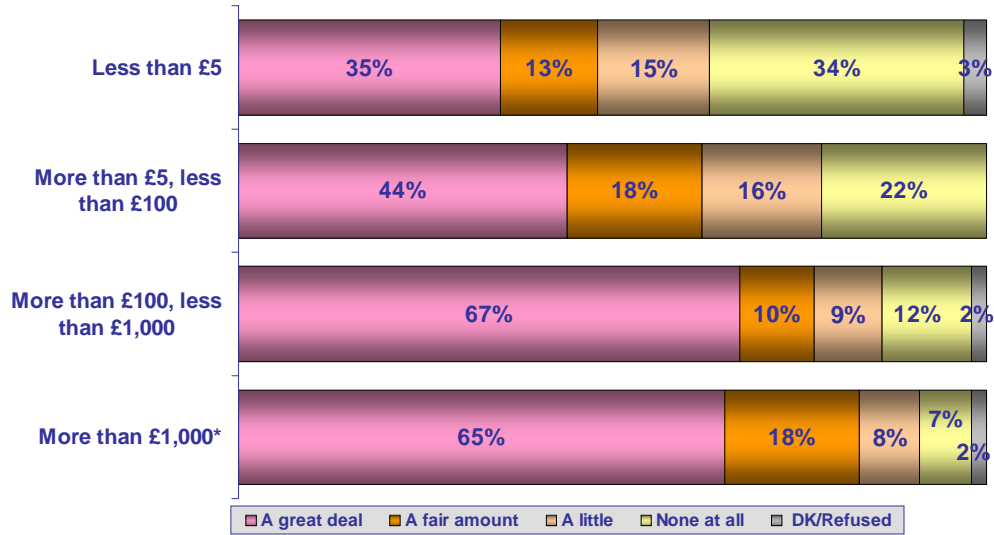
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7.19 When asked to what extent the problem has had a negative effect on their likelihood to use the company again in the future, respondents answered 'a great deal' in 41 per cent of cases. This figure increases with the level of detriment. Respondents answered 'a great deal' regarding 35 per cent of problems with a detriment of less than five pounds, while this figure rises to 67 per cent for detriment levels between £100 and £1,000 and 65 per cent for detriment levels above £1,000.

7.20 Respondents who consider their problem resolved are less likely to answer 'a great deal.' This answer is chosen in 52 per cent of cases where the problem is considered not resolved at all, but only 36 per cent of completed resolved problems.

**Chart 7.12: Negative effect on likelihood of using company again (Q16a) – By detriment<sup>26</sup>**

To what extent, if at all, would you say the problem has had any negative effect on your likelihood of using the company or firm from where you obtained the product or service in future?



Base: All problems at stage 2 (1489)

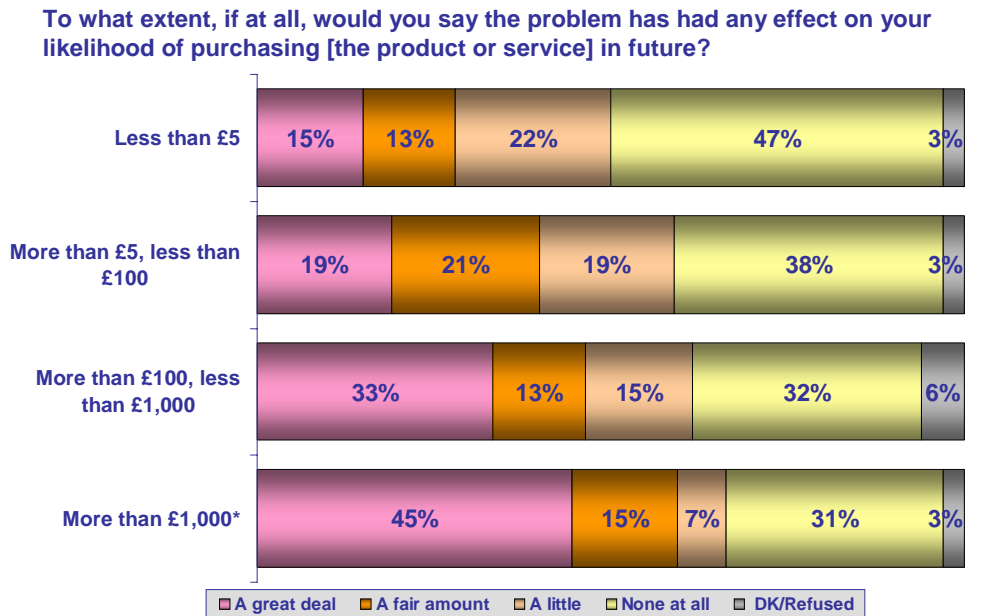
\*Small sample size

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7.21 Effects on the likelihood of purchasing the same product or service again are less significant. This aspect was measured among respondents who are *not* 'definitely likely' to need to purchase the product again, i.e. who can decide not to buy this product or service again. In 43 per cent of cases, respondents report that the problem had no effect at all on their likelihood of purchasing the product again. This figure rises to 47 per cent when the detriment value is below five pounds. For detriment levels below £100, respondents report that their likelihood of future purchase is affected 'a great deal' in less than 20 per cent of cases. However, for detriment levels above £1,000, the proportion of 'a great deal' responses reaches 45 per cent.

<sup>26</sup> Detriment mentioned at question 4 of the follow-up interview (stage 2).

**Chart 7.13; Effect on likelihood of purchasing the product/service in future (Q16b) – By detriment<sup>27</sup>**



Base: All problems at stage 2 for which respondents are NOT definitely likely to purchase the product/service in the future (785) \*Small sample size

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7.22 Problems also impacted on consumers' behaviours. When asked how they would try to avoid similar problems occurring in the future, many respondents mentioned getting more information before buying, both about the provider and the product.

*'[I would take] more care selecting products and the company.'*

*'I would get more information on the company and do more research.'*

7.23 Consumers highlighted the importance of a company's reputation and of recommendations. The physical presence of a provider, i.e. of being able to visit a shop rather than call or send an email is also mentioned as a factor of choice.

<sup>27</sup> Detriment mentioned at question 4 of the follow-up interview (stage 2).

*'[I would] seek a personal recommendation and use a reputable company.'*

*'I would use a recommended firm, where I know their address and do not rely on telephone numbers.'*

*'After this experience I will buy from a big company with shops so there is somewhere I can go back to if there is a problem. Companies on the internet don't give the same service, they can ignore you.'*

- 7.24 In general, respondents report that they would be more careful when buying products or services.

*'[I would] look more closely at the items to check for defects.'*

*'Now that we are more aware of hidden fees and other things we will ask far more questions and more written info before signing.'*

*'[I would] read the small print and follow their terms & conditions to the letter.'*

*'[I would] not jump into decision-making straight away.'*

- 7.25 Even when detriment did not deter consumers from purchasing a product or service again, they are likely to change their behaviour and be more cautious, and on the whole 'savvier' than they were.

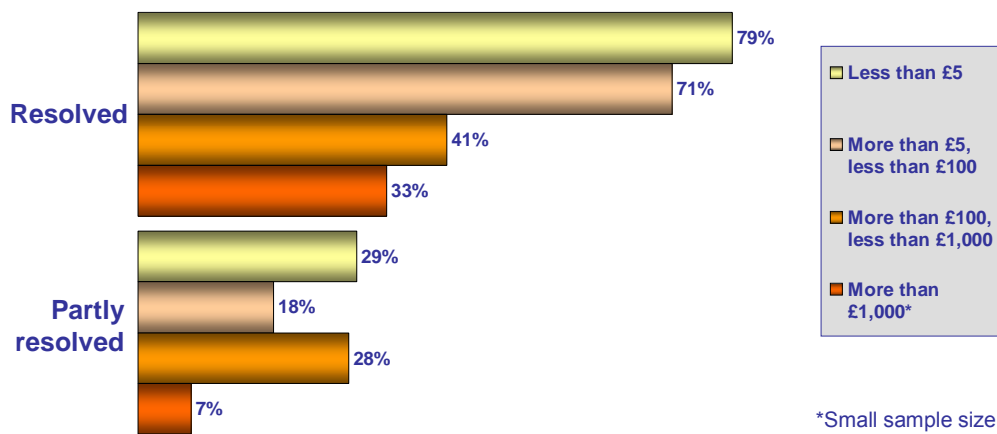
- 7.26 Respondents who consider their problem completely resolved are satisfied with the outcome of the situation in three-quarters (74 per cent) of cases. Respondents with detriment levels below five pounds are satisfied with the outcome in 79 per cent of cases, while this proportion is 33 per cent for detriment levels above £1,000. Variations of the net satisfaction figure (proportion of satisfied respondents minus the proportion of dissatisfied respondents) are particularly striking, as it is plus 64 for detriment levels below five pounds and minus 35 for problems resulting in detriment above £1,000.

- 7.27 Things are different when problems are considered partly resolved. In that case, satisfaction levels do not vary significantly from one detriment band to another and are on average lower than with solved problems. Respondents are satisfied with the outcome of around one quarter (26

per cent) of partly solved problems. Customers' satisfaction seems to be influenced primarily by problem status and then by financial detriment levels.

**Chart 7.14: Effect on satisfaction (Q8a/8b) – percentage of 'Satisfied' by Detriment<sup>28</sup>**

Looking at the answers on this card, now that the problem has been completely resolved, how satisfied or dissatisfied were you with the final outcome?  
 Looking at the answers on this card, now that the problem has been partly resolved, how satisfied or dissatisfied are you with the outcome so far?



Base: All problems at stage 2 considered completely resolved (718),  
 All problems at stage 2 considered partly resolved (195)

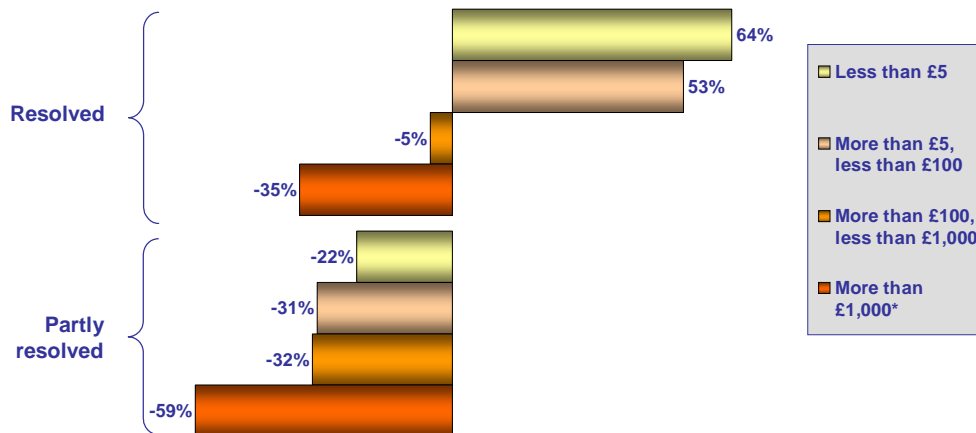
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<sup>28</sup> Detriment mentioned at question 4 of the follow-up interview (stage 2).

## Chart 7.15: Effect on satisfaction (Q8a/8b) – Net satisfied by detriment<sup>29</sup>

Looking at the answers on this card, now that the problem has been completely resolved, how satisfied or dissatisfied were you with the final outcome?

Looking at the answers on this card, now that the problem has been partly resolved, how satisfied or dissatisfied are you with the outcome so far?



Base: All problems at stage 2 considered completely resolved (718),  
All problems at stage 2 considered partly resolved (195)

\*Small sample size

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<sup>29</sup> Detriment mentioned at question 4 of the follow-up interview (stage 2).

## 8 CONCLUSIONS

- Consumer detriment in the UK population amounted to an estimated £6.6 billion over the last 12 months.
- Consumers complained or took action in about two thirds of cases, and in more than 70 per cent of cases where detriment is higher than five pounds.
- It is less common for consumers to seek the advice of other agencies. Some five percent reported that they sought either the help of Trading Standards services or utilised the consumer advice service Consumer Direct, but additionally three percent reported seeking help from either an ombudsman or financial services industry body.
- Detriment levels vary by social grade. Respondents in lower social grades and income bands are also more likely to have experienced psychological and welfare effects as a result of the problem.
- The proportion of complaints increases for detriment levels and the price of goods and services (when paid all at once). It varies little by demographic characteristics.
- In contrast, detriment levels and complaints incidence vary significantly by category of product or service.

## A STATISTICAL ISSUES

A.1 The respondents to the questionnaire are only a sample of the total 'population', so we cannot be certain that the figures obtained are exactly those we would have if everybody had been interviewed (the 'true' values). We can, however, predict the variation between the sample results and the 'true' values from knowledge of the size of the samples on which the results are based and the number of times that a particular answer is given. The confidence with which we can make this prediction is usually chosen to be 95 per cent - that is, the chances are 95 in 100 that the 'true' value will fall within a specified range. The table below displays tolerance margins for the survey's main base sizes.

Base	+ /-10%	+ /-30%	+ /-50%
10,022	0.59%	0.90%	0.98%
5,423	0.80%	1.22%	1.33%

## **B SURVEY METHODOLOGY: CAPIBUS**

### **Sampling**

B.1 Capibus uses a two stage random location design to select respondents to take part in the weekly survey:

#### **Stage One - Selection of Primary Sampling Units:**

B.2 The first stage is to define primary sampling units which will be fixed for at least one year. A total of 180 Local Area Authorities are randomly selected from our stratified groupings with probability of selection proportional to size. This ensures that the most populated areas in Britain are always represented in the sample.

#### **Stage Two - Selection of Secondary Sampling Units:**

B.3 The second stage of sampling happens every week on Capibus. At this stage, one enumeration district is randomly selected from each Local Area Authority, this then becomes the secondary sampling unit.

B.4 An Output Area (OA) is a very small area made up of between 60 to 100 addresses. We also use the MOSAIC geo-demographic system in the selection process. This allows us to select OA's with differing profiles such that we can be sure we are interviewing a broad cross-section of the public.

### **Weighting**

B.5 All information collected on Capibus is weighted to correct for any minor deficiencies or bias in the sample. Capibus uses a 'rim weighting' system which weights to NRS defined profiles for age, social grade, region and working status - within sex. Rim weighting is superior to the more common system of 'cell weighting' since it is far less likely to distort the data.

## **C SURVEY METHODOLOGY: SECOND STAGE INTERVIEWS**

### **Sampling**

- C.1 For the second stage interviews sampling targets was set according to the Neyman allocation. This is an optimum way of determining the sample size of each stratum, as it yields the smallest sampling variability, and is a standard statistical technique. According to this allocation, the sampling fraction in each stratum should be proportional to the standard deviation of the detriments. In the event, the relative infrequency of serious problems, and the difficulty of recruiting participants to take part in second stage interviews, resulted in the actual number of interviews in the more variable strata falling short of the desired number of interviews. Despite this the method was broadly successful, producing better estimates than would have been possible using simple random sampling.
- C.2 The values of higher value detriments are likely to be more variable than those of lower value ones and hence have the greatest contribution towards the overall sample standard deviation. Giving this stratum the greatest possible sample size would serve to effectively down-scale its overall contribution. For this purpose, respondents who reported more than two problems at the first stage were asked about the highest value problems at the second stage. Where several problems were identified within the same stratum, random selection was used to select problems for the interview.

### **Weighting**

- C.3 As this sampling method skews data towards higher detriment levels, the data was weighted to mirror the proportion of each detriment band in the omnibus stage. Through this process, problems related to self-selection of respondents for the second stage can be avoided.

## D QUANTITATIVE QUESTIONNAIRE: CAPIBUS

ASK ALL

I would now like to ask you a number of questions designed to identify any problems you may have experienced with goods or services in the last 12 months. After that, we would then like to learn a little bit more about the effects of any problems you have experienced. This is on behalf of the Office of Fair Trading, the UK's consumer and competition authority whose role it is to make markets work well for consumers.

### Q1a

Firstly, please look at this card (SHOWCARD A) which outlines some goods or services which you might have had a problem with in the past twelve months, for which you consider you have a genuine cause for complaint. It doesn't matter what type of product or service the problem relates to or whether or not you decided to complain about the problem, but it must be something you were dissatisfied with.

Please take the time to look through the list and tell me which goods or services you have had a problem with where you have had a genuine cause for complaint. Please just read out the letter or letters that apply, for all goods and services you have had a problem in the last twelve months.

(A) House Fittings and appliances	(AA) House Construction (AB) Home maintenance and Improvements (AC) Glazing Products and Installations (e.g. windows and patio doors) (AD) Furniture (AF) Floor Coverings (AK) Textiles and Soft Furnishings (e.g. curtains and cushions) (AL) Audio-visual (e.g. televisions and DVD players) (AM) Personal Computers, accessories, software and services (AN) Large Domestic Appliances (e.g. washing machine or fridge freezer) (AR) Small Domestic Appliances (e.g. iron or kettle) (AT) Repairs to Domestic Appliances
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<p>(B) Other household requirements</p>	<p>(BA) Food and Drink  (BB) Domestic Fuel (e.g. gas and electricity services)  (BE) Water  (BF) Postal Services  (BH) Laundry and Dry Cleaning  (BJ) DIY Materials  (BM) Telecommunications (e.g. mobile or fixed line telephone)  (BP) Hardware, cleaning and other household goods and services  (BQ) Gardening products and services</p>
<p>(C) Personal goods and services</p>	<p>(CA) Clothing and clothing fabric  (CB) Disability Aids  (CD) Medical goods and services  (CE) Toiletries, perfumes, beauty treatments and hairdressing  (CF) Jewelry, silverware, clocks and watches  (CH) Tobacco and related products  (CK) Footwear  (CL) Nursery Goods and Services  (CM) Home-working schemes and gifting schemes  (CZ) Other Personal Goods and Services</p>
<p>(D) Professional and financial services</p>	<p>(DA) Personal banking  (DB) Hire and Unsecured Credit  (DE) Ancillary Credit Business  (DG) Insurance  (DL) Mortgages and secured credit  (DN) Pensions  (DP) Estate Agents and House Purchase services  (DQ) Letting and Property management services  (DY) Professional Services (e.g. lawyers, estate agents, accountants)</p>
<p>(E) Transport</p>	<p>(ED) New Cars  (EE) Second Hand Cars  (EF) Car repairs and servicing  (EG) Other Motor vehicle purchases  (EH) Other Motor vehicle repairs and servicing</p>

	(EJ) Spares and Accessories (EK) Bicycles and repairs (EL) Petrol and Oil (EM) Transport (EN) Freight (EY) Boats, Caravans, trailers (EZ) Other Motoring Costs
(F) Leisure	(FD) Holiday caravan renting, caravan/camping sites and boats (FE) Time Share (FG) Holidays (FH) Entertainment, catering and accommodation (FJ) Internet facilities (FK) Books, newspapers and magazines (FL) Sports and hobby equipment and services (FM) Toys, Games (FN) CDs, Games video tapes, video games software, computer(non-operating system) software, DVDs (FO) Pets and veterinarian products/services (FP) Betting, competitions, prize draws and business guides (FQ) Photography (FZ) Other recreational goods and services including age restricted items
None of these	
Don't know	
Refused	

**Q1b Thank you for highlighting the category. Please could you give me a word or two that best describes the exact product or service you have had a problem with.**

**OPEN ENDED**

**Q2**

**Now looking at this card, (SHOWCARD B) please identify the types of problem you have experienced with [INSERT FIRST ANSWER FROM Q1]. Please take your time to read through the card as it is important that we understand all of the problems you have experienced. Please just read out the letter or letters that apply. MULTICODE OK**

- A Defective goods
- B Faulty or damaged, lacked durability, wore out very quickly
- C Wrong or unsuitable product provided
- D Poor service quality
- E Service not provided/not up to standard
- F Delivery / Collection / Repair problems
- G Goods or service delivered late or not at all
- H Failure or delay in promised repair
- I Failure to observe cancellation rights
- J Difficulty sorting out any problems you may have had with a retailer or supplier, or problems getting refunds
- K Supplier refusing to help, being difficult or obstructive
- L Offers of inadequate redress, including credit notes instead of refunds
- M Problems returning unwanted goods
- N Problems with claims arising under guarantee
- O Problems with product or service safety
- P Food Related complaints
- Q Electrical safety or burning or cutting hazard
- R Age Restricted Sales
- S Problems with financial products
- T Bank or Building Society charges
- U Contracts, terms and Conditions
- V Unfair terms
- W Contract terms were not clear or did not provide enough information
- X Problems Pursuing a Claim
- Y Problems with utility companies e.g. Gas, Electricity, Phone, ISP providers
- Z Problems with the way something was sold
- AA Being sold goods or services you didn't agree to
- BB Being put under pressure to buy
- CC Questionable selling methods such as pyramid selling, inertia selling, selling form multi packs, and bogus selling
- DD Receiving misleading claims and incorrect information
- EE Goods or service incorrectly described, including failure to provide full information and misleading advertising
- FF Incorrect labelling
- GG Failure to give notice or supply adequate notification of cancellation
- HH Misleading advice (told something would suit needs but did not)
- II Problems with the price of goods and services
- JJ Advertised price/quote was wrong or misleading
- KK Being overcharged
- LL Not told the price or not told about some extra costs
- MM The product cost more to use or run than I was told
- NN The price was too high for the quality

- OO Problem with warranty / guarantee
- PP Other complaint (please write in)
- QQ Other problem

REPEAT FOR ALL OTHER PRODUCTS / SERVICES HIGHLIGHTED AT Q1a.

ASK ALL

FS02s Has looking at this list (SHOWCARD 2) reminded you of any other issues or problems experienced in the last 12 months?

- Yes GO TO FS01a, FS01b and Fs02 THEN CONTINUE TO FS03a
- No GO TO FS03a

ASK ALL

**Q3a**

**To help remind you about any (other) problems you may have experienced with goods or services over the past year, here is a card on which are listed (SHOWCARDS C) are some different types of goods and services.**

**Have you experienced any problems in the past twelve months for which you consider you have a legitimate cause for complaint with any of these?**

HAND RESPONDENT SHOWCARD C

- A Utilities – gas, electricity, water
- B Internet/broadband
- C Telephone (fixed/landline or mobile)
- D Broadcast services like radio and TV (including satellite/digital/pay TV)
- E Post Offices
- F Banks, building societies, insurance companies, credit/loan companies, other financial services companies
- G People coming to your home – eg. gardeners, window cleaners, plumbers, builders, other tradesmen
- H Housing and accommodation
- I Places you go such as restaurants, cinemas, theatres, sports centres or places of entertainment
- J Medical/health – pharmacists, dentists, opticians, etc
- K Training and education
- I Other professional services like funeral directors, legal advisors, estate agents, financial advisers

- J When using public transport
- None of these
- Don't know
- Refused

**And here is a card with some ways in which you can purchase goods and services.**

**Q3b SHOWCARD D Have you experienced any problems in the past twelve months for which you consider you have a legitimate cause for complaint with any of these?**

- A At Supermarkets, retailers, dealers, high street, or at local shops
- B Using the internet
- C Using mail order, delivery and postal services
- D Ordering by telephone
- E At the doorstep or from a salesman visiting the home
- F At an open market or auction
- G From a car boot sale
- H TV shopping channel
- None of these
- Don't know
- Refused

Yes 1 + coded at Q3a/b	CODE CATEGORY AND REPEAT Q1a and b +
Q2 THEN CONTINUE	
No	CONTINUE
Don't know	CONTINUE
Refused	CONTINUE

ASK ALL WHO CODE ANY PROBLEMS AT Q1. ALL OTHERS CLOSE INTERVIEW

REPEAT LOOP OF Q4 – Q13 FOR EACH PROBLEM IDENTIFIED

**Q4 On how many separate occasions in the last 12 months have you experienced [INSERT PROBLEM (Q2) FROM SERVICE TYPE Q1/Q3a/b]. Please note we are interested in the number of separate problems you have had with this, any ongoing problems you may have had should be counted as a single problem. SINGLE CODE**

One

- Two
- Three
- Four
- More than four
- Don't know
- Refused

ASK ALL

**Q5 SHOWCARD E As far as you can remember, when did the problem begin with [INSERT PROBLEM FROM Q2]? If you are unable to remember exactly, please use your best estimate. Please just read out the letter that applies**  
SINGLE CODE

- A Less than a week ago
- B At least a week ago but less than a month
- C Between one month and three months ago
- D Between three months and six months ago
- E Between six months and a year ago
- F Not sure but certainly within the last year
- G Over a year ago
- Don't know
- Refused

ASK ALL

**Q6 From your point of view, is the problem completely resolved, partly resolved or not resolved at all? SINGLE CODE**

- Completely resolved
- Partly resolved
- Not resolved at all
- Don't know
- Refused

ASK ALL

**Q7a Was the service or goods paid all at one time, in full, or paid for continuously - like subscriptions, quarterly bills or other instalments? PROBE**  
USING CODES BELOW,  
SINGLE CODE

- All at one time GO TO Q7b
- Instalment annual fee GO TO Q7c
- Instalment quarterly GO TO Q7c

Instalment monthly GO TO Q7c  
Instalment weekly GO TO Q7c  
By instalment but irregular including metered payments GO TO Q7c  
Goods/service was not bought - GO TO Q8  
I am not liable to pay for the product or service - GO TO Q8  
Don't know GO TO Q7b  
Refused GO TO Q7b

ASK ALL WHO PAID FOR GOODS OR SERVICES

Q7b (IF 'ALL AT ONE TIME' AT Q8a code 1) **Approximately how much did you pay for the goods or service that gave you the problem?** (write in as whole £ sterling, if less than one, but more than zero, round up to £1)

THEN SKIP Q7c to Q7d

Q7c (IF BY INSTALMENT AT Q8a codes 2 - 6) **Approximately how much did you pay over the last 12 months for the goods or service that gave you the problem?** (write in as whole £ sterling, if less than one, but more than zero, round up to £1)

ASK ALL EXCEPT CODES 7 + 8 AT Q7a

Q7d SHOWCARD F **Was the purchase made by you individually, or by other adult members of the household?** SINGLE CODE

- A Purchase made by **myself**
  - B Purchase made by **another adult** in the household
  - C Purchase made by **two adults** in the household
  - D Purchase made by **three adults** in the household
  - E Purchase made by **four adults** in the household
  - F Purchase made by **five adults** in the household
  - G Purchase made by **more than five** adults in the household
- Don't know  
Refused

ASK ALL

Q8 **Have you complained or done anything else about the problem to get it resolved?** SINGLE CODE

- Yes
- No
- Don't know
- Refused

ASK ALL

**Q9 Thinking about any money that you might have spent in *trying to put things right*, did you incur any incidental costs such as postage (say for letters of complaint, or sending things back), telephone calls, travel or fuel to visit shops or premises? SINGLE CODE**

- Yes
- No
- Don't know
- Refused

ASK ALL

**Q10 Did you spend any money in any of the following ways? READ OUT.  
MULTICODE OK**

- Getting legal advice or other advice
- Putting things right at your own expense
- If applicable, paying for any 'knock on' damage or inconvenience caused to you or any of your possessions
- Any other ways (PLEASE SPECIFY)
- Don't know
- Refused

ASK ALL

**Q11 Did you have to pay to replace the goods or pay to have the service provided again? SINGLE CODE**

- Yes, I had to pay for the replacement myself
- Yes, I had to pay for the replacement but I expect to be refunded or compensated
- No
- Don't know
- Refused

ASK ALL

**Q12 We would now like you to estimate the total value of financial losses to you as a result of this problem. As a reminder, please look at this card which outlines some of the costs we have been discussing in previous questions.**

SHOWCARD G

- Administrative or travel costs
- Putting things right at your own expense – such as the cost of replacing or repairing the goods or paying for the service again

- Cost of expert advice or assistance
- Paying for any 'knock on' damage or inconvenience caused to you or any of your possessions as a result of the problem
- Reduction in value of the goods or any other possessions as a result of the problem

**Please do not include in your estimate anything that has now been fully recompensed by an insurance policy, but do include anything where an insurance policy has not left you fully compensated.**

**SHOWCARD H**

**Now, looking at this card, into which band do you think the total value of financial losses to you have been, as a result of this problem? Please just read out the letter that applies**

**It doesn't matter if you are not entirely sure, we are interested in your impressions.**

- A None/no financial loss
  - B Some losses but small - not more than £5
  - C More than £5 but not more than £50
  - D More than £50 but no more than £100
  - E More than £100 but not more than £200
  - F More than £200 but no more than £500
  - G More than £500 but no more than £1000
  - H More than £1000
- Don't know  
Refused

**ASK ALL**

**Q13 SHOWCARD I Thinking about the problem again, have you spent any personal time yourself in trying to put things right? Please answer in terms of the approximate amount of time you may have spent trying to put things right, rather than for how long the problem has lasted.**

**It doesn't matter if you are not entirely sure, we are interested in your impressions.**

**PROMPT WITH CODES BELOW, SINGLE CODE**

- A Under 1 hour
- B An hour or more, but less than four hours
- C Four hours or more, but less than eight
- D Eight hours or more, but less than twelve

- E Twelve hours or more, but less than sixteen
- F Sixteen hours or more, but less than twenty
- G Twenty hours or more
- H None/no personal time spent
- Don't know
- Refused

LOOP BACK TO Q4 IF MORE THAN ONE PROBLEM IS IDENTIFIED AT Q1/3a/b

ASK ALL

Q14

In order to understand more about the effect that problems with products and services have on people, the Office of Fair Trading are conducting a follow-up survey which I would like to invite you to take part in. The follow-up survey, like this one, will take place in your own home, at a time convenient to you and would last for approximately twenty minutes.

Would you like to take part in that interview?

Yes

No

(SP)

ASK IF CODE 1 AT Q14

FS15

Thank you for agreeing to take part? Please could you tell me what is the best time for someone to call to make an appointment about the survey?

Monday morning

Monday afternoon

Monday evening

Monday anytime

Tuesday morning

Tuesday afternoon

Tuesday evening

Tuesday anytime

Wednesday morning

Wednesday afternoon

Wednesday evening

Wednesday anytime

Thursday morning

Thursday afternoon

Thursday evening

Thursday anytime

Friday morning

Friday afternoon  
Friday evening  
Friday anytime  
Saturday morning  
Saturday afternoon  
Saturday evening  
Saturday anytime  
Sunday morning  
Sunday afternoon  
Sunday evening  
Sunday anytime  
No preferences

### **Part 3: Demographic and ethnicity information**

Region, Age, Gender  
Education, Total number of people living in the household  
Housing status, Marital status, Working status  
Ethnic group, Number of dependents living in household

## **E QUANTITATIVE QUESTIONNAIRE: SECOND STAGE INTERVIEWS**

### **INTRODUCTION – ONE PROBLEM BEING DISCUSSED**

**Many thanks again for participating in the survey. Just to re-cap, Ipsos MORI is conducting a survey on behalf of the Office of Fair Trading, the UK's consumer and competition authority whose role it is to make markets work well for consumers. The research will examine the types of problems people can sometimes experience with products and services.**

**Just to remind you, for the purposes of this interview, I would like to talk to you about {INSERT TYPE OF PROBLEM AND PRODUCT/SERVICE CATEGORY} that, at the time when you kindly took part in our original survey, you mentioned had occurred in the last year.**

**During this interview, we would like to talk to you in a little more detail about this problem.**

### **INTRODUCTION – TWO PROBLEMS BEING DISCUSSED**

**Many thanks again for participating in the survey. Just to re-cap, Ipsos MORI is conducting a survey on behalf of the Office of Fair Trading, the UK's consumer and competition authority whose role it is to make markets work well for consumers. The research will examine the types of problems people can sometimes experience with products and services.**

**Just to remind you, for the purposes of this interview, I would like to talk to you about two of the problems you mentioned had occurred in the last year. Firstly, I would like to talk about the {INSERT TYPE OF PROBLEM AND PRODUCT/SERVICE CATEGORY} that you told us about.**

### **ASK ALL**

**Q1 SHOWCARD.A Firstly, when we spoke to you in our previous interview you mentioned that you had/ had not {INSERT AS APPROPRIATE BASED UPON ANSWER TO Q8 IN ORIGINAL OMNIBUS QUESTIONNAIRE} complained or done anything about this problem.**

**Just to re-cap, looking at this card, which of these best describes your current situation with regards to the problem?**

I took/have taken action in order to go about solving the problem (please include instances where you may have contacted the company by telephone or in writing)

I have not taken action to date, but intend to do so

I have not taken action to date, and do not intend to

Don't know

Refused

ASK ALL WHO HAVE TAKEN ACTION AT Q1

**Q2a SHOWCARD B In which of the ways listed on the card did you take / have you taken action to solve the problem? Please just read out the letter or letters that apply. MULTICODE OK**

Asked the company from where you obtained the product or service...

A For a refund

B For a replacement

C For compensation

D Attempted to use guarantees, warranties or insurance policies

E Withheld payment for the product or service

Made a complaint...

F To the company/firm where you obtained the product or service

G To someone other than the company/firm where you obtained the product or service

H Any other actions you have taken to go about solving the problem  
(PLEASE SPECIFY)

Don't know

None of these

Refused

ASK ALL WHO HAVE TAKEN ACTION AT Q1

**Q2b SHOWCARD C Through which of the following ways have you contacted the company / firm from where you obtained the product of service? Please read out the letter or letters that apply. MULTICODE OK**

- A By telephone
- B By email
- C By letter
- D In person
- Other (please specify)

Don't know  
 None of these  
 Refused

ASK ALL WHO HAVE MADE A COMPLAINT TO SOMEONE/SOMEWHERE ELSE  
 AT Q2a

**Q3a SHOWCARD D You mentioned that you made a complaint to someone/somewhere else aside from the company/firm where you obtained the product or service. To whom did you make this complaint? Please read out the letter or letters that apply MULTICODE OK**

ASK ALL

**Q3b SHOWCARD D Did you contact/have you contacted any organisations or firms to obtain information, help or advice regarding how to resolve your problem? Please read out the letter or letters that apply MULTICODE OK. CODE BELOW**

- A - Advertising Standards Authority
- B - Citizens Advice
- C - Consumer Direct telephone advice line
- D - Energywatch
- E - Financial Services Authority (FSA) or other financial industry body
- F - Local council/ councillor
- G - Member of Parliament (MP)
- H - Ofcom
- I - Office of Fair Trading (OFT)
- J - Ofgem
- K - Ofwat
- L - Ombudsman
- M - Police
- N - Postwatch
- O - Solicitor
- P - Trading Standards Services
- Q - Which?
- R - Other specific advisory, mediating or regulatory body (PLEASE SPECIFY)
- S - Anywhere else (PLEASE SPECIFY)
- None

Don't know  
Refused

ASK ALL

**Q4 Thinking again about your problem that we are talking about today, {INSERT TYPE OF PROBLEM AND PRODUCT/SERVICE CATEGORY}, we would like to obtain an accurate picture of all the costs the problem has caused you.**

**I am going to read out a list of areas in which the problem might have required you to spend money.**

**Where you have spent money in a particular way, please tell me how much you have spent. If you are not entirely sure of the amount please just give me your best estimate to the nearest £. INTERVIEWER, READ OUT CATEGORIES BELOW AND WRITE IN AMOUNT SPENT FOR EACH.**

TYPE OF COST	AMOUNT £	NOT APPLICABLE
<b>a. Cost to you of any telephone calls, postage or stationery</b>		2
<b>b. Any travel costs you have incurred</b>		2
<b>c. Costs to you on any legal matters or for legal advice</b>		2
<b>d. Costs to you of getting any other type of expert advice or assistance</b>		2
<b>e. Repairing or resolving the problem at your own expense, eg. replacing or repairing the goods or paying for another/alternative service</b>		2
<b>f. Costs of any knock-on/consequential damage or inconvenience caused to you or any of your possessions as a result of the problem (one example of this would be a household appliance leaking and damaging something else)</b>		2
<b>g. Reduction in value of the goods concerned or any other possessions as a result of the problem</b>		2
<b>h. IF SELF EMPLOYED Cost to you of lost earnings by your not being able to work while taking time out to resolve the problem</b>		
<b>i. Any other ways not already covered in which you have spent money as a</b>		2

<b>result of the problem (PLEASE SPECIFY)</b>		
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IF ANY OF THE AMOUNTS CAPTURED FOR ANY OF THE CATEGORIES AT Q4 IS GREATER THAN THE TOTAL COST OF THE PROBLEM IDENTIFIED AT Q12 ON THE CAPI SCRIPT, PLEASE ADD INTERVIEWER NOTE: 'PLEASE CONFIRM WITH RESPONDENT THAT THIS AMOUNT IS CORRECT'

**Q5 Thinking about the problem again, did you spend or have you spent any personal time yourself in trying to put things right, this includes time spent preparing what to say or travelling to a company's premises?**

**Please answer in terms of the approximate total amount of time you may have spent trying to put things right, rather than for how long the problem (has) lasted.**

**It doesn't matter if you are not entirely sure, please give me your best estimate.**

WRITE IN NUMBER OF HOURS.

ASK ALL WHO HAVE SPENT PERSONAL TIME AT Q5

**Q6 You mentioned that you (have) spent {ANSWER FROM Q5} hours personal time in total trying to put things right. Of this, how many hours – if any – was time you spent off work dealing with the problem? Again, it doesn't matter if you are not entirely sure, please give me your best estimate.**

**Please only include the number of hours you took as holiday or unpaid leave.**

WRITE IN NUMBER OF HOURS. ENTER ZERO IF APPROPRIATE. ANSWER MUST NOT EXCEED THAT GIVEN AT Q5

ASK ALL

**Q7 Thinking again about the current status of your problem, from your point of view, is it completely resolved, partly resolved, or not resolved at all? READ OUT. SINGLE CODE**

- Completely resolved
- Partly resolved
- Not resolved at all
- Don't know
- Refused

ASK IF PROBLEM COMPLETELY RESOLVED AT Q7

**Q8a SHOWCARD E Looking at the answers on this card, now that the problem has been completely resolved, how satisfied or dissatisfied were you with the final outcome? CODE BELOW**

Completely satisfied  
Very satisfied  
Fairly satisfied  
Neither satisfied nor dissatisfied  
Fairly dissatisfied  
Very dissatisfied  
Completely dissatisfied  
Don't know  
Refused

ASK IF PROBLEM PARTLY RESOLVED AT Q7

**Q8b SHOWCARD F Looking at the answers on this card, now that the problem has been partly resolved, how satisfied or dissatisfied are you with the outcome so far?**

Completely satisfied  
Very satisfied  
Fairly satisfied  
Neither satisfied nor dissatisfied  
Fairly dissatisfied  
Very dissatisfied  
Completely dissatisfied  
Don't know  
Refused

ASK IF PROBLEM PARTLY RESOLVED OR NOT RESOLVED AT ALL AT Q7

**Q9 SHOWCARD G Which of these, if any, best describes your current intentions with regards to the problem? Please just read out the letter that applies. SINGLE CODE**

- A I will pursue the problem and will not give up until it is completely resolved
- B I will pursue the problem and see what happens
- C I have pursued the problem but do not intend to do so any further
- D I have not pursued the problem and have no intention of doing so
- None of these
- Don't know
- Refused

Q10 **And why do you say that you will** {INSERT ANSWER FROM Q9}?

WRITE IN RESPONDENT ANSWER VERBATIM

Q11 SHOWCARD H **Thinking about the current status of your problem, how likely or unlikely do you think it is that your problem will be resolved to your satisfaction?** SINGLE CODE

- Definitely
- Very likely
- Fairly likely
- Neither likely nor unlikely
- Fairly unlikely
- Very unlikely
- Definitely not
- Don't know
- Refused

ASK ALL

Q12 SHOWCARD I **Thinking about the company or firm from where you obtained the product or service with which you had/have a problem. Which of these, if any, did the company do/has the company done so far? Please look at the card carefully and read out the letters of all that apply.** MULTICODE OK

- A Nothing
- B Acknowledged the problem
- C Investigated/is investigating the problem
- D Solved/is solving the problem
- E Offered/given a replacement product or service
- F Offered/given an alternative product or service
- G Offered/given a full refund
- H Offered/given a partial refund
- I Offered/given credit note or vouchers

- J Given you a satisfactory explanation for the problem
- K Given you an **unsatisfactory** explanation for the problem
- L Apologised
- M Referred/is referring the problem elsewhere (eg. to another company or organisation)
- N Any other actions taken by the company/firm? (PLEASE SPECIFY)
  - Don't know
  - Refused

**Q13 SHOWCARD J Thinking again about the company or firm from where you obtained the product or service. For each of the following I am going to read out, please tell me how positive or negative you would say your experiences were/have been in dealing with this company/firm about your problem. READ OUT STATEMENTS BELOW. SINGLE CODE FOR EACH.**

- Extremely positive
- Very positive
- Fairly positive
- Neither positive nor negative
- Fairly negative
- Very negative
- Extremely negative
- Don't know
- Refused

- Acknowledging the problem***
- Degree of sympathy received***
- Taking steps to put things right***
- Succeeding in putting things right***
- Being easy to contact***
- Speed in responding to you***
- Providing you with the information you need***
- Treating you fairly***

**Q14 SHOWCARD K Looking at the options on this card, during the period of the problem taking place, to what extent have you felt...? READ OUT. SINGLE CODE FOR EACH**

- A great deal
- A fair amount

A little  
Not at all  
Don't know  
Refused

***Under stress***

***Angry***

***Worried***

***Frustrated***

**Q15 SHOWCARD H AGAIN How likely do you think it is that you will need to purchase {[INSERT PRODUCT / SERVICE CATEGORY] in future?**

Definitely  
Very likely  
Fairly likely  
Neither likely nor unlikely  
Fairly unlikely  
Very unlikely  
Definitely not  
Don't know  
Refused

**Q16a SHOWCARD K AGAIN To what extent, if at all, would you say the problem has had any *negative* effect on your likelihood of using the company or firm from where you obtained the product or service in future? SINGLE CODE**

A great deal  
A fair amount  
A little  
None at all  
Don't know  
Refused

ASK IF NOT CODE 1 AT Q15

**Q16b SHOWCARD K AGAIN To what extent, if at all, would you say the problem has had any effect on your likelihood of purchasing [insert product or service] - in future? Please take your answer from this card. SINGLE CODE**

A great deal

A fair amount  
A little  
None at all  
Don't know  
Refused

ASK ALL WHO CODE 1 – 3 at Q15

**Q17 Are there any ways in which you would look to avoid similar problems occurring in future if {purchasing this type of product/using this type of service?} If so, how would you do this?**

OPEN-ENDED QUESTION, WRITE IN

ASK ALL

**Q18a Thinking about the problem again and all of the costs it has caused you, has it impacted at all upon your ability to spend on any of the following:**

**Important essentials such as your mortgage, rent and bills**

Yes  
No  
Don't know  
Refused

**Other essentials such as food and clothing**

Yes  
No  
Don't know  
Refused

**Non essential items you buy regularly such as such as DVDs or take-away food**

Yes  
No  
Don't know  
Refused

**Luxury items such as holidays**

Yes  
No  
Don't know  
Refused  
IF YES

**Q18b SHOWCARD L On this card are various levels of impact, please tell me how much impact the problem has had on your ability to pay for [INSERT APPLICABLE CATEGORY(IES)]**

Very large impact  
Quite large impact  
Quite small impact  
Very small impact  
Don't know  
Refused

**ASK ALL FOR WHOM PROBLEM HAD SOME FORM OF IMPACT UPON OTHER SPENDING AT Q18a**

**Q19 SHOWCARD M And thinking again about your problem and all of the costs it caused you that we discussed earlier. How long would you estimate it took before your spending patterns were able to return to how they were prior to the problem? Please read out the letter that applies SINGLE CODE**

A 1 week  
B 2 weeks  
C 3-4 weeks  
D Over a month, up to three months  
E Over three months, up to six months  
F Over six months  
G Still not back to normal  
H Had no impact upon my spending patterns  
Don't know  
Refused

**IF RESPONDENT ONLY HAS ONE PROBLEM TO BE DISCUSSED THANK AND CLOSE**

**IF RESPONDENT HAS TWO PROBLEMS TO BE DISCUSSED ASK Q20**

**Q20 SHOWCARD A AGAIN I would now like to talk about the second problem. Just to remind you for the purposes of the rest of the interview, I would like you to talk about {INSERT TYPE OF PROBLEM AND PRODUCT/SERVICE CATEGORY} that, at the time when you kindly took part in our original survey, you mentioned had occurred in the last year.**

**When we spoke to you in our previous interview you mentioned that you had/had not {INSERT AS APPROPRIATE BASED UPON ANSWER TO Q8 IN ORIGINAL OMNIBUS QUESTIONNAIRE} complained or done anything about this problem.**

**Just to re-cap, looking at this card, which of these best describes your current situation with regards to the problem?**

I took/have taken action in order to go about solving the problem (please include instances where you may have contacted the company by telephone or in writing)

I have not taken action to date, but intend to do so

I have not taken action to date, and do not intend to

Don't know

Refused

**THEN ASK Q2 – Q19 ABOUT SECOND PROBLEM. THEN THANK RESPONDENT AND CLOSE**