

Consumer Engagement and Detriment Survey 2014



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1. Executive summary

The aim of the survey is to gather information about how consumers engage with markets, how frequently they encounter problems, and what they do to resolve those problems. It measures the amount of consumer detriment across selected sectors, the distribution of detriment and information about the outcomes associated with the detriment. It also examines consumer knowledge and capability and the relationship between consumer empowerment and detriment.

1.1. Introduction

Over the last few years, BIS has been working to reform consumer law and strengthen the enforcement and protection of consumer rights. The main vehicle of reform is a new Consumer Rights Bill, which will consolidate and simplify current legislation and cover the supply to consumers of all goods, services and digital content. The reforms are designed to provide consumers with increased knowledge, confidence and protection. The European Commission 2011 Eurobarometer study and report on Consumer Empowerment¹ showed that empowered consumers find it easier to identify the best offer, know their rights and seek redress when things go wrong to minimise the amount of detriment suffered.

The research provides an up-to-date picture of the amount and type of consumer detriment experienced in the UK over the last 12 months, its causes and impacts, and draws comparisons with the findings from the 2012 survey.

The specific research objectives are to:

- Examine consumer knowledge and capability and the relationship between consumer empowerment and detriment
- Provide reliable and robust estimates of the distribution of detriment across the sectors
- Provide detailed information about the outcomes associated with the detriment events

The survey methodology was designed to maximise comparability of results with the previous survey whilst improving the cost-effectiveness.

Face- to- face computer assisted interviews were conducted with a representative cross-section of adults aged 16+ in the UK by placing question on two waves of the TNS face-to-face omnibus.

A total of 4,127 interviews were conducted. The survey consisted of three parts. All respondents were asked to identify any problems they had experienced with various goods and services within the last year. This provided a robust measure of the incidence of consumer problems in the last 12 months in United Kingdom. A sub-sample of those who had experienced any problems in the last 12 months were asked further questions (part two questions), to obtain more details about the actions taken to resolve the problems and a more accurate assessment of the level of detriment and other impacts. The third section

¹ Consumer Empowerment TNS Eurobarometer 342 April 2011 and Consumer Empowerment in the EU Commission Staff Working Paper April 2011

of the survey measured consumer knowledge and capability. The third module was asked on the all consumers in the first wave of omnibus and only those who had experienced a problem in the last 12 months in the second wave.

1.2. Consumer knowledge and capability

A simple empowerment index was developed to help examine who are the most confident and knowledgeable consumers and who are the more vulnerable groups and how this effects their outcomes. Those consumers who are least empowered are more likely to be slightly younger, in social groups, live in rented accommodation and to be from ethnic minorities.

- Most consumers in the UK (over eight out of ten) generally feel confident and knowledgeable when choosing and buying goods and services and that they will be dealt with fairly by suppliers but are less positive about how well protected they feel by consumer law and supported by consumer advice and enforcement agencies.
- Amongst those consumers who are least empowered under a third feel very or quite positive about their confidence and knowledge when buying goods and services compared with over nine in ten of the most empowered group.
- There is also a difference by whether consumers have had a problem with a good or service purchased in the last year, with these consumers being less positive across all confidence and knowledge measures.
- Over nine out of ten consumers agree that they are confident and savvy customers (92%) and carefully weigh up the features and price to make an informed decision (93%).
- Only a half (52%) of those consumers with low empowerment agree that they are confident and savvy consumers compared to 98% of the high empowerment group and just over three-quarters (79%) agree that they carefully weigh up the features and price to make an informed choice compared with 97% of the high empowerment group.
- Consumers were asked a small number of questions to 'test' their ability to compare prices and knowledge of their rights. The proportion of consumers getting the correct answer did not vary significantly by empowerment or demographic group. The majority of consumers can correctly calculate a discount on a good (85%) and the correct amount of interest payable on a loan (61%).
- Most consumers know they have the right to return a product bought phone, post or over the internet four days after it is delivered (70%), but two thirds do not know they have the right to have a fridge that breaks down after 18 months repaired or replaced for free if they do not have an extended guarantee (67%).
- Awareness that the advertised price of airline flights must include all taxes fees and charges is lower, with only two fifths of consumers (43%) giving the correct response. A similar proportion (45%) of consumers recognises that a supplier of a faulty app has the chance to fix the problem before providing a refund.
- Almost all consumers (96%) are aware of one or more organisations that protect consumers and/or provide information or help if things go wrong. Most consumers (85%) say they are likely to contact a consumer and/or enforcement agency if they had a problem with a good or service that they could not resolve directly with the supplier, with 45% saying they are very likely to do so.
- Over half (55%) of consumer have considered switching one or more suppliers across the services surveyed. Two thirds of these (35% of all consumers) have actually switched supplier for one or more of these services in the last 12 months.

1.3. Consumer problems

It is estimated that a total of 18.7 million problems have been experienced with goods and services purchased in the last 12 months. This is higher than in 2012 (15.7 million) and compares with 26.5 million problems in 2008. The rise in the number of problems over the last two years appears to reflect a combination of an increase in GDP and higher consumer spending power. However, the volatility of these estimates could also be due to differences in the way consumers have self-reported their problems.

- A fifth of consumers (22%) have experienced one or more problems with goods or services purchased in the last 12 months. This is the same as in the 2012 survey.
- The incidence of experiencing any problems is highest among those aged 25-64 years old and those in social grade ABC1, reflecting their higher spending power. It is also higher among the lowest empowerment group.
- 68% of consumers with any problems have experienced just one problem in the last 12 months.
- Six in ten of all problems are connected with purchasing household fittings and appliances and other household requirements.
- The main problems consumers experience are defective or damaged goods and poor or substandard quality of services.

1.4. Consumer detriment

The overall level of consumer detriment, as reported by consumers, in 2014 is estimated to be £4.15 billion. This compares with an estimate of £3.08 billion as measured in the 2012 survey, and £6.62 billion in the 2008 survey. There is a high degree of uncertainty in estimating these figures, as they rely on a relatively small number of consumers who have reported suffering significant financial losses. However, they provide a useful headline indicator of the scale of consumer problems in markets.

These estimates exclude detriment of which consumers are not yet aware, for instance mis-selling of financial products that comes to light much later. In both cases the overall figures are dominated by a very small number of high cost events. Problems that cost a consumer more than £20 make up 31% of consumer problems in 2014, but they comprise 99% of the total financial detriment.

- Most problems incur little or no financial detriment; 58% of all consumers' problems lead to financial detriment of less than £5, including 45% incurring no financial detriment.
- Average financial loss consumers incur is £223 (compared to £196 in 2012).
- Problems with the highest levels of financial detriment are for professional and financial services (mean average £544) and transport (mean average £483).
- Non-financial impacts including personal time spent rectifying the problem, welfare effects and social effects increase with financial detriment levels.

1.5. Problem status and consumer action

- Half of problems are considered resolved (48%), while over a third (33%) are considered not to be resolved at all (similar pattern in 2012).
- For consumers where the problem has been completely resolved, more than three quarters are satisfied with the final outcome of the problem (83%). Amongst those who have only achieved partial resolution thus far, dissatisfaction is higher and a little under half of cases at this stage express dissatisfaction with the outcome (45%).
- Consumers have taken action to try and resolve nine in ten problems (87%).
- The level of detriment impacts on satisfaction, the lower the detriment, the higher the satisfaction.

- The experience has a negative impact on future behaviour with half of consumers reporting that this impacts a great deal/fair amount on the likelihood of using the same company or firm again in the future (56%), whilst for a third of cases, this does not impact at all (13%).

2. Introduction

This report provides an up to date picture of the amount and type of consumer detriment experienced over the last 12 months. It also seeks to better understand the relationship between consumer knowledge and detriment.

2.1. Background

Over the last few years, BIS has been working to reform consumer law and strengthen the enforcement and protection of consumer rights. The main vehicle of reform is a new Consumer Rights Bill, which will consolidate and simplify current legislation and cover the supply to consumers of all goods, services and digital content. It will be coupled with the streamlining of consumer support and advice and strengthening the powers of enforcement bodies. The reforms are designed to provide consumers with increased knowledge, confidence and protection. The reforms will also benefit businesses by simplifying, clarifying and modernising requirements and provide greater enforcement against rogue traders.

The European Commission 2011 Eurobarometer study and report on Consumer Empowerment² showed that empowered consumers find it easier to identify the best offer, know their rights and seek redress when things go wrong to minimise the amount of detriment suffered. The most recent study on consumer detriment in the UK, undertaken by Consumer Focus in 2012³ found that 1 in 5 consumers (22%) had encountered problems for which they had a legitimate cause for complaint with a good or service purchased in the last 12 months. High levels of complaint and detriment create high levels of mis-trust and market failure and impose significant costs on business. Recent research amongst businesses⁴ provided further evidence of the lack of awareness, confusion and costs arising from current legislation. This places significant burden on businesses for staff training, legal and dispute resolution; the average annual cost of handling consumer complaints is £10,407. Addressing market failures and promoting quality services at fair prices will help drive growth. BIS calculates that the new consumer reforms have the potential to boost the economy by £4bn over the next decade by reducing the effort consumers and businesses have to make to resolve problems and raising trust and standards of behaviour.

The research provides an up-to-date picture of the amount and type of consumer detriment experienced in the UK over the last 12 months, its causes and impacts, and draws comparisons with the findings from the 2012 survey.

It also examines consumer knowledge and capability and the relationship between consumer empowerment and detriment. It will also provide a baseline enabling the effect of changes to consumer protection on consumer confidence and behaviour to be assessed.

² Consumer Empowerment TNS Eurobarometer 342 April 2011 and Consumer Empowerment in the EU Commission Staff Working Paper April 2011

³ Consumer Detriment 2012 TNS BMRB

⁴ Consumer Rights and Business Practices IFF Research March 2013

This study builds on earlier surveys of consumer detriment⁵. As in the previous surveys, it covers only detriment that consumers are aware of (not hidden detriments) and examines both financial loss and non-financial impacts.

2.2. Scope of the research

Consumer detriment can be experienced across all types of goods and services, in a variety of forms which may not always be obvious to the consumer. It is therefore not practical to attempt to measure detriment which consumers are unaware of (hidden detriment). The research therefore focuses only on types of detriment of which consumers are aware. More specifically, this relates primarily to the financial cost of detriment, but also covers time spent dealing with problems, satisfaction with the outcome, psychological impact and attitudes towards the company in question, both in terms of how the problem has been dealt with and propensity to use in future.

The survey covers 70 different categories of products and services (second tier) in which consumers may experience detriment. These are broadly divided into six categories (first tier):

- House fittings and appliances
- Other household requirements
- Personal goods and services
- Professional and financial services
- Transport
- Leisure

Appendix 1 shows how the second tier problems fit into the first tier categories (for example, transport includes items such as problems with new cars, second hand cars, car servicing, public transport and freight. House fittings and appliances ranges from problems with small and large appliances to house maintenance, improvements and construction).

⁵ Consumer Detriment 2012 TNS BMRB; Consumer Detriment 2008 Ipsos MORI

3. Methodology

The survey methodology was designed to maximise comparability of results with the previous survey whilst improving the cost-effectiveness.

Face- to- face computer assisted interviews were conducted with a representative cross-section of adults aged 16+ in the UK by placing question on the TNS face-to-face omnibus. Fieldwork was conducted across two waves of the omnibus from 22 January and 2 February 2014.

A total of 4,127 interviews were conducted. The survey consisted of three parts. All respondents were asked to identify any problems they had experienced with various goods and services within the last year. Prompt materials were used to optimise recall. This provided a robust measure of the incidence of consumer problems in the last 12 months in the UK. A sub-sample of those who had experienced any problems in the last 12 months were asked further questions (part two questions), to obtain more details about the actions taken to resolve the problems and a more accurate assessment of the level of detriment and other impacts.

At part two, respondents were questioned in more detail about up to two problems encountered in the last 12 months. Where consumers had encountered more than two problems, those deemed by the consumer to be most significant were discussed. A total of 861 respondents were asked more detailed questions in part two about 1,124 problems encountered in the last 12 months.

The third section of the survey measured consumer knowledge and capability. The third module was asked on the all consumers in the first wave of omnibus and only those who had experienced a problem in the last 12 months in the second wave.

Results from the study were weighted to be representative of the overall population of adults aged 16+ in the UK.

3.1. Key differences with the 2008 study

The first part of the study was conducted in a similar way to the 2008 study, with questions being asked of a representative cross- section of 10,000 adults aged 16+ in UK by including questions in a face- to- face omnibus survey.

The main difference was that in the 2008 survey, the more detailed information about the problems encountered was obtained in a follow-up face-to-face interview, which was conducted with those who had encountered one or more problems and agreed to be re-contacted. The findings from the stage one interviews were reviewed and quotas set by level of detriment to maximise coverage of those with higher levels of detriment. Four size bands based on the level of detriment were used in the 2008 survey (under £5, £5-99, £100-£999 and £1000+). In the current study, the one stage approach meant a simpler filtering system had to be applied. Based on the findings from the 2008 study, a threshold of more than £20 was used, to ensure we obtained sufficient numbers of interviews with those incurring higher levels of detriment.

The two-stage approach used in the 2008 study, resulted in high levels of drop out between the stages, so the target number of interviews with those incurring higher levels of detriment was not fully achieved. The use of a one stage approach on the current study ensured more detailed information was obtained for all those reporting higher levels of detriment during the first part of the interview.

3.2. Key differences with the 2012 study

There were few changes made to the 2014 compared to the approach taken in 2012. However, the changes made were significant. Those changes were:

- A reduced sample size. The survey ran on two waves on omnibus instead of five. A total of 4,127 members of the general public were screened to determine the number of problems they had, which reduced from more than 10,000 in 2012. As a result, the number of problems asked about in the survey results decreased. Problems therefore cannot be analysed at detailed level (i.e. at the second tier, below first tier sector level).
- The list of products and services asked about at Q1 increased from 64 categories to 70, but the list at Q2 describing the type of problem that occurred was streamlined and therefore reduced in 2014.
- In 2012 a series of questions (Q1B-Q1I) were asked about problems with products in regulated services. These were removed in 2014. Further questions in section 1 about specific aspects of the problem were also removed.
- The inclusion of a consumer knowledge and capability module in the questionnaire which was asked of all consumers in the first wave, but only those who had experienced a problem in the second.

A copy of the questionnaire used is also appended.

4. Consumer knowledge and capability

This section examines consumers' knowledge and capability to make informed purchase decisions and seek redress if they feel they have cause for complaint. The questions, from which these findings are drawn, are based on a small subset of questions included in the 2010 Eurobarometer study on Consumer empowerment⁶ but have been adapted to meet the requirements of this study.

Responses to some of these questions were then used to develop a simple categorisation of the relative levels of consumer knowledge and capability. This index has been used to help better understand the relationship between consumer knowledge and detriment, which is discussed in subsequent chapters of this report

4.1. Consumer knowledge and confidence

Consumers were first asked a set of questions to examine their perceptions of their own levels of empowerment. They were asked how confident and knowledgeable they feel when choosing and buying goods and services:

- How confident do you feel as a consumer?
- How knowledgeable do you feel as a consumer?
- How well protected by consumer law do you feel?
- How confident do you feel that you will be dealt with fairly by suppliers?
- How well supported do you feel by consumer advice and enforcement agencies such as Citizens Advice and Trading Standards?

The first three statements were also used in the EU Eurobarometer study of consumer Empowerment. The last two statements were included to provide a baseline measure of the extent to which consumers feel suppliers deal with them fairly, prior to the introduction of the new consumer 'bill of rights' and supported by consumer and empowerment agencies as this provision is being streamlined and strengthened..

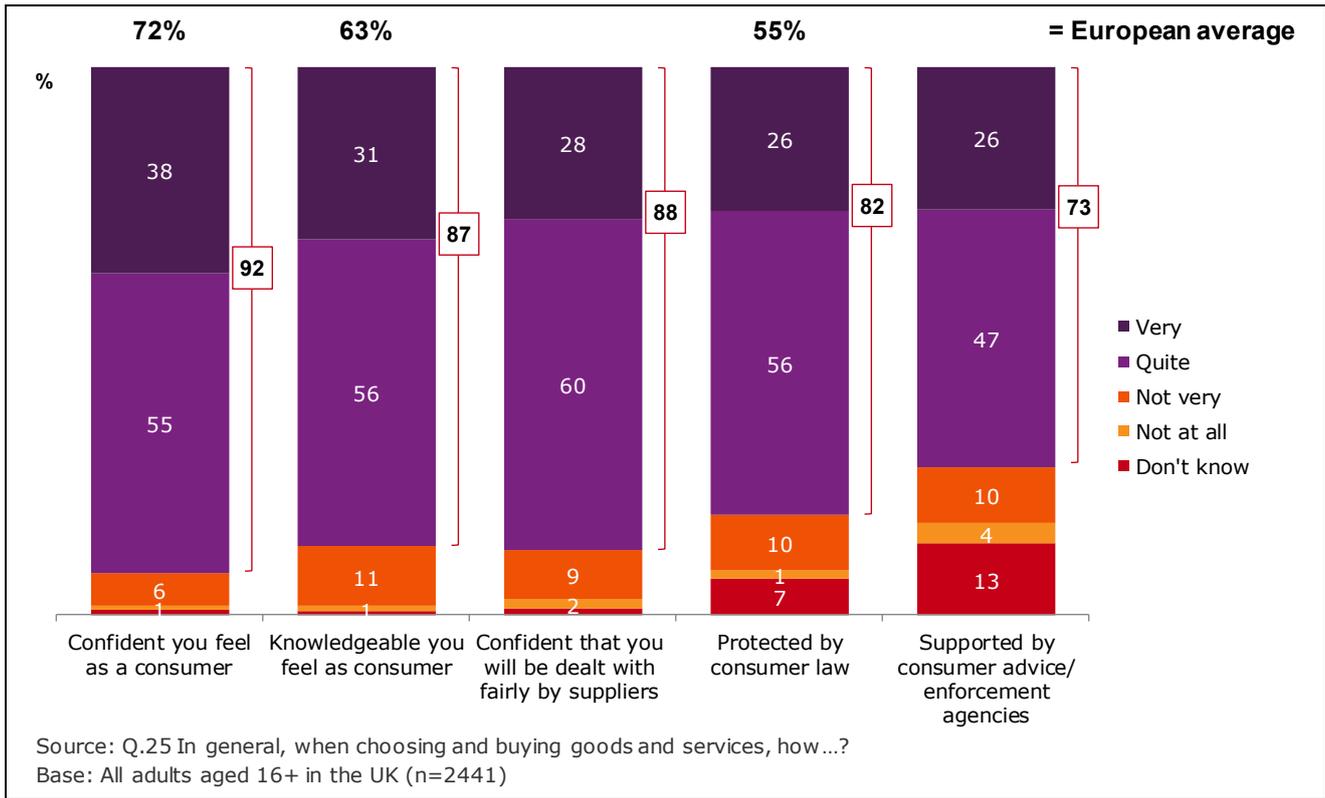
Most consumers in the UK generally feel confident and knowledgeable when choosing and buying goods and services and that they will be dealt with fairly by suppliers, with well over eight out of ten consumers saying they feel very or quite positive on each of these measures. These levels are higher than the European average (72%, 63% and 55% respectively⁷).

UK consumers are slightly less positive about how well protected they feel by consumer law and supported by consumer advice and enforcement agencies. This mainly reflects lower levels of awareness of consumer regulations and advice and enforcement agencies with 7% and 13% respectively saying 'don't know'.

⁶ Consumer Empowerment TNS Eurobarometer 342 April 2011

⁷ European average includes all EU member states plus Iceland and Norway

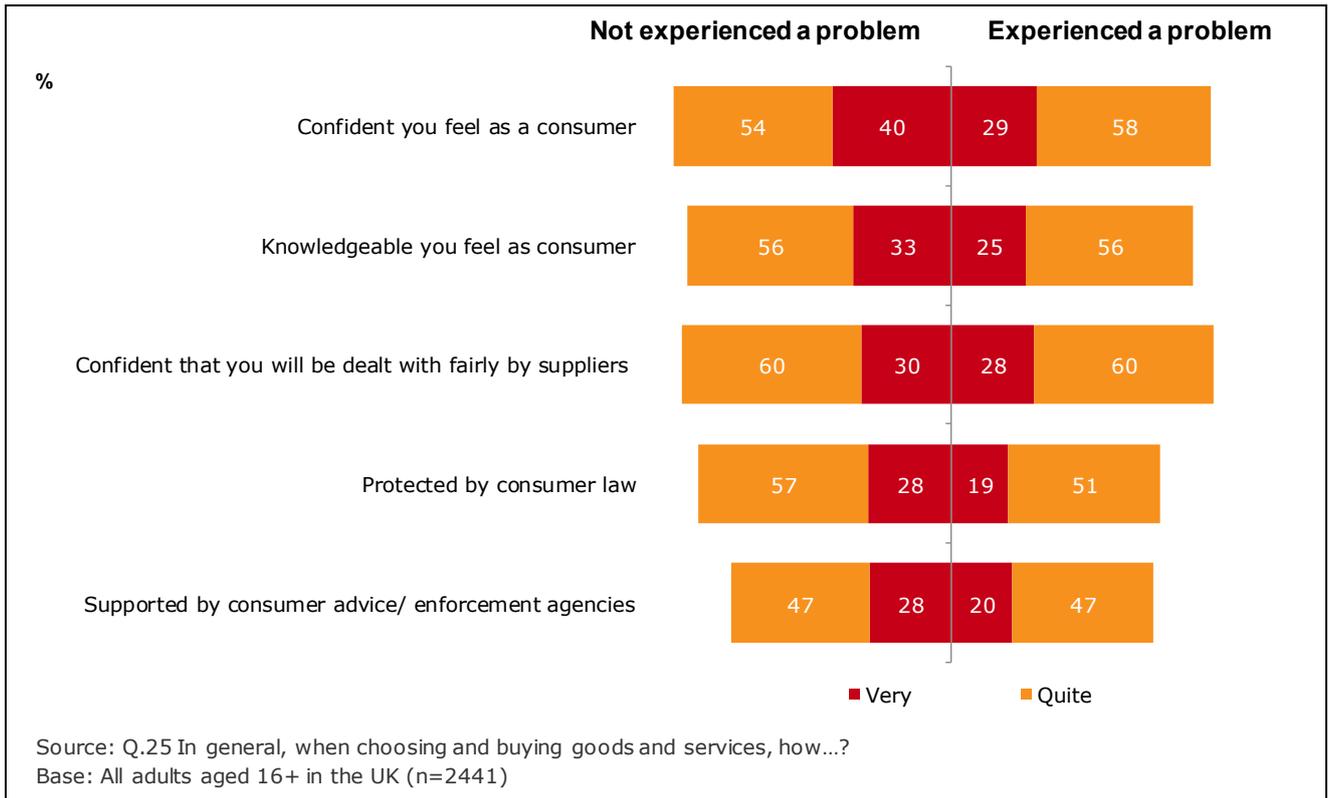
Figure 4.1 Consumer confidence and knowledge



Whilst most consumers generally feel at least fairly positive on all these measure, only a quarter to a third feel very positive. Further to this, only 8% of UK consumers feel very positive across all these measures. This suggests there is still significant scope to improve consumers’ overall levels of knowledge and confidence.

There are some differences in levels of knowledge and confidence by demographic groups with men, consumers in social grades ABC1 and people who are white being slightly more positive across all the measures. There is also a marked difference by whether consumers have had a problem with a good or service purchased in the last year, with these consumers being less positive across all measures.

Figure 4.2 Consumer confidence and knowledge by whether had a problem or not



4.2. Buying behaviour

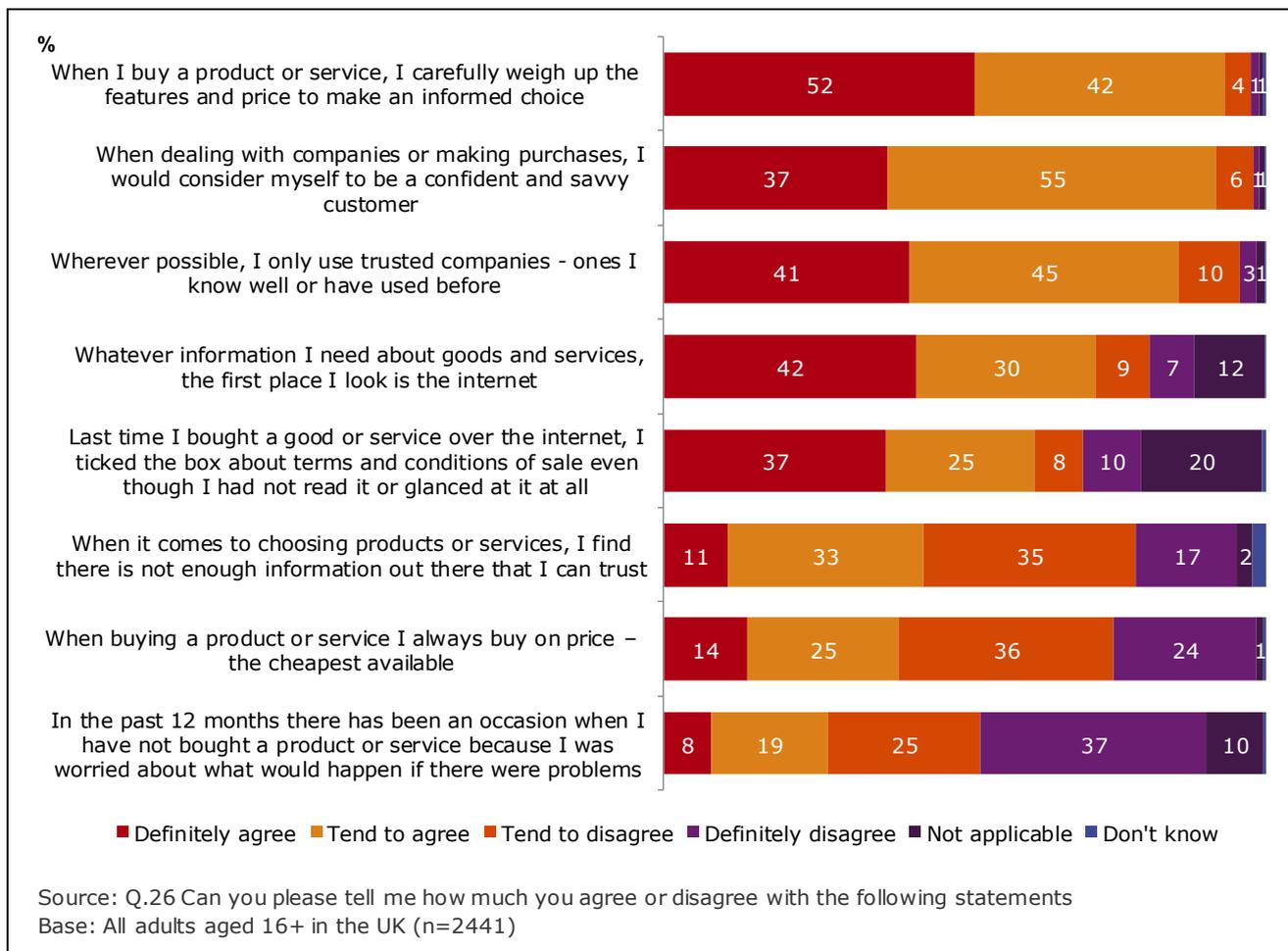
Respondents were then asked how strongly they agreed or disagreed with a series of statements about their buying behaviour.

Over nine out of ten consumers agree that they are confident and savvy customers (92%) and carefully weigh up the features and price to make an informed decision (93%). Most disagree that they always buy on price (59%).

Three quarters of consumers agree that whatever information they need about goods and services the first place they look is the internet, although views are more mixed about whether there is sufficient information available (on the internet or elsewhere) that they can trust; 43% agree there is not enough information available that they can trust, whilst 52% disagree.

Most consumers (63%) disagree that in the last 12 months there has been an occasion where they not bought a product or service because they were worried about what would happen if there was a problem. Only 27% of consumers agreed with this statement but this was significantly higher amongst those who had had a problem with a good or service purchased in the last 12 months 38% compared with 24% who have not had a problem.

Figure 4.3 Buyer behaviour



When asked directly how they have compared goods and services they have bought over the last 12 months, most consumers (68%) have used the internet. This reflects the earlier finding that three quarters of consumers agree that whatever information they need about goods and services the first place they look is the internet. Use of the internet is higher amongst those with internet access (79%), in social grades ABC1 (81%) and educated to degree level (86%). It is lowest amongst older consumers aged 65+ (33%) reflecting lower levels of internet amongst this age group. Half of consumers claim to use internet price comparison websites, while 38% use online shopping and other 30% other websites. Other key sources that consumer use is visiting shops (37%) and consulting friends and family (36%).

4.3. Empowerment Index

A simple empowerment index was developed to help examine who are the most confident and knowledgeable consumers and who are the more vulnerable groups and how this effects their outcomes (i.e. whether they incur problems with buying goods and services and likelihood to seek redress if they do). The index will also help to track changes in consumer empowerment over time.

The index is based on consumer self-perceived knowledge and confidence (as discussed in section 4.2) and responses to the statements on buying behaviour (as discussed in section 4.3). Each respondent was given a score, based on responses to these questions, which were then indexed to give a score of 1-100. Further details about the method used to create the index is provided in Appendix 5. The mean average

score was 71 and modal score was 64. Based on these scores, consumers were divided into 4 groups as summarised in the table 4.1. The least empowered consumers, with a score of 50 or less, account for 7% of all consumers. The remaining groups split fairly equally. It needs to be recognised that the index represents a continuum, but the divisions into groups helps to explore the characteristics of those consumers who are more or less empowered and their outcomes. Differences are most marked between the most and least empowered groups.

Table 4.1 Empowerment groups

Group	Score	% of consumers
Group 4 (high empowerment)	80+	30
Group 3 (medium-high empowerment)	66-79	33
Group 2 (low-medium empowerment)	51-65	30
Group 1 (low empowerment)	Up to 50	7

Those consumers who are least empowered are more likely to be slightly younger (42% aged under 34, compared with 32% amongst the high empowerment group), in social groups (C2DE 61% compared with 45% amongst the high empowerment group), live in rented accommodation (54% compared with 39% for the high empowerment group) and to be from ethnic minorities (18% compared with 9% of those in the high empowerment group) and for English to be their second language (21% compared with 11% for the high empowerment group). There is no significant difference by gender.

Table 4.2 Demographic differences in empowerment groups

	Group 1 (low)	Group 2 (low- medium)	Group 3 (medium- high)	Group 4 (high)
Base	210	757	791	661
Age				
16-17	1%	1%	3%	1%
18-24	15%	11%	12%	13%
25-34	26%	19%	19%	18%
35-44	17%	14%	15%	16%
45-54	11%	20%	16%	17%
55-64	12%	14%	15%	16%
65+	17%	20%	19%	19%
Social grade				
ABC1	39%	49%	52%	55%
C2DE	61%	51%	48%	45%
Tenure				
Mortgage	27%	25%	30%	29%
Owned outright	15%	31%	31%	31%
Rent local authority	20%	17%	13%	16%

	Group 1 (low)	Group 2 (low-medium)	Group 3 (medium-high)	Group 4 (high)
Rent private	33%	24%	25%	23%
Other	4%	2%	2%	1%
Ethnicity				
White	82%	86%	85%	91%
Minority Ethnic	18%	14%	15%	9%
English second language				
Yes	79%	84%	85%	89%
No	21%	16%	15%	11%
Gender				
Male	49%	46%	50%	50%
Female	51%	54%	50%	50%

Amongst those consumers who are least empowered under a third feel very or quite positive about their confidence and knowledge when buying goods and services compared with over nine in ten of the most empowered group. The difference between those in the low to medium and medium to high empowerment groups is the proportion who feel quite as opposed to very positive about their confidence and knowledge.

Figure 4.4 Consumer confidence and knowledge by empowerment group

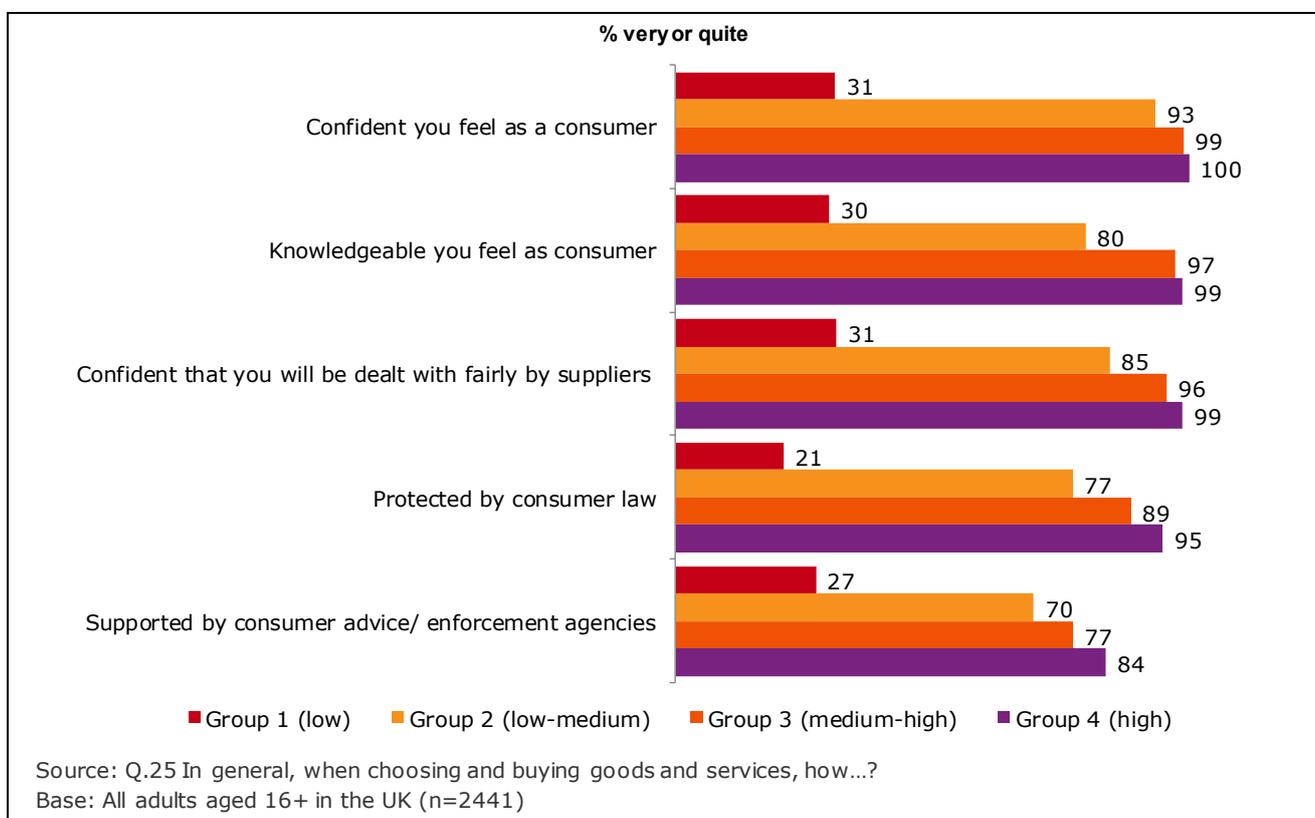


Table 4.3 Consumer confidence and knowledge by empowerment group

		Group 1 (low)	Group 2 (low- medium)	Group 3 (medium- high)	Group 4 (high)
Base		210	757	791	661
Confident you feel as a consumer	Very	1%	4%	30%	90%
	Quite	30%	90%	69%	10%
Knowledgeable you feel as consumer	Very	3%	4%	22%	77%
	Quite	27%	76%	76%	22%
Confident that you will be dealt with fairly by suppliers	Very	2%	2%	17%	72%
	Quite	30%	82%	78%	27%
Protected by consumer law	Very	0%	1%	16%	69%
	Quite	21%	76%	73%	25%
Supported by consumer advice/ enforcement agencies	Very	2%	7%	21%	57%
	Quite	25%	63%	56%	27%

Differences in buying behaviour are also apparent. Only a half (52%) of those consumers with low empowerment agree that they are confident and savvy consumers compared to 98% of the high empowerment group and just over three-quarters (79%) agree that they carefully weigh up the features and price to make an informed choice compared with 97% of the high empowerment group. However, they are most likely to agree that over the last 12 months there has been an occasion where they have not bought a good or service as they were worried about would happen if there was a problem, 38% compared with 21% of consumers in the high empowerment group.

Figure 4.5 Buyer behaviour by empowerment group

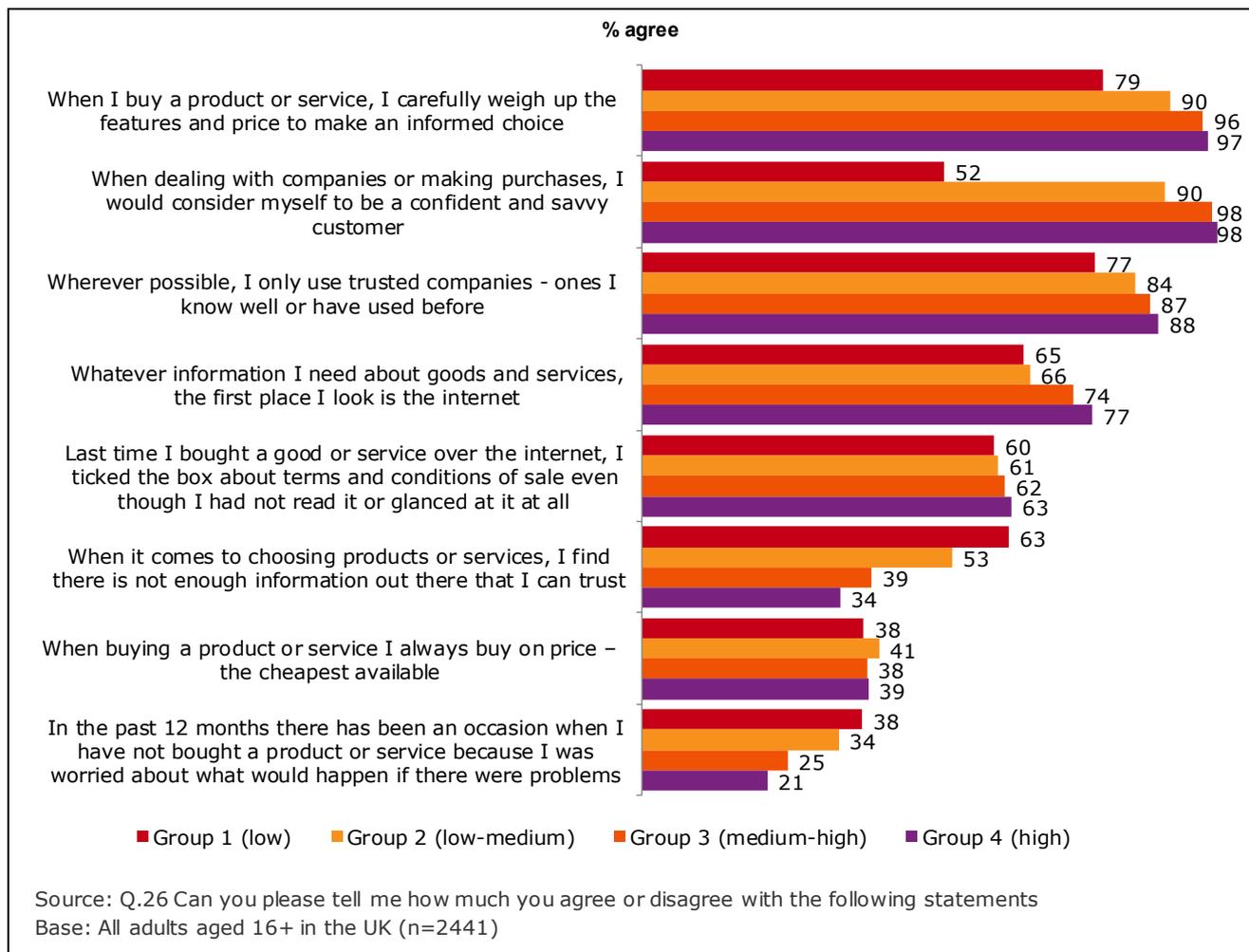


Table 4.4 Buyer behaviour by empowerment group

		Group 1 (low)	Group 2 (low-medium)	Group 3 (medium-high)	Group 4 (high)
Base		210	757	791	661
When I buy a product or service, I carefully weigh up the features and price to make an informed choice	Definitely agree	30%	27%	59%	74%
	Tend to agree	49%	63%	37%	23%
When dealing with companies or making purchases, I would consider myself to be a confident and savvy customer	Definitely agree	10%	9%	37%	73%
	Tend to agree	41%	80%	60%	26%
Wherever possible, I only use trusted companies - ones I know well or have used before	Definitely agree	29%	25%	44%	55%
	Tend to agree	48%	59%	42%	33%

		Group 1 (low)	Group 2 (low-medium)	Group 3 (medium-high)	Group 4 (high)
Whatever information I need about goods and services, the first place I look is the internet	Definitely agree	30%	28%	47%	54%
	Tend to agree	35%	39%	27%	23%
Last time I bought a good or service over the internet, I ticked the box about terms and conditions of sale even though I had not read it or glanced at it at all	Definitely agree	40%	29%	38%	44%
	Tend to agree	20%	32%	24%	19%
When it comes to choosing products or services, I find there is not enough information out there that I can trust	Definitely agree	20%	8%	9%	13%
	Tend to agree	43%	45%	30%	21%
When buying a product or service I always buy on price – the cheapest available	Definitely agree	13%	8%	15%	18%
	Tend to agree	25%	32%	24%	20%
In the past 12 months there has been an occasion when I have not bought a product or service because I was worried about what would happen if there were problems	Definitely agree	11%	6%	7%	9%
	Tend to agree	26%	27%	18%	12%

4.4. Consumer knowledge

Consumers were asked a small number of questions to ‘test’ their ability to compare prices and knowledge of their rights.

Most consumers (85%) can correctly recognise that the flat screen TV for sale in shop B at £400 is cheaper than the equivalent TV in shop A on sale for £500 with 10% discount. This proportion is slightly but significantly lower amongst the low empowerment group 79% than the high empowerment group 87%. It also varies by demographic group; those getting the answer correct being higher amongst men (88% vs. 82% for women), those in social grades ABC1 (91% vs. 78% C2DE), with a degree (92% vs. 70% if no formal qualifications), those who are white and for whom English is their first language (85% vs. 80% if from ethnic minorities or English is not their first language).

A lower proportion (61%) can correctly calculate the interest payable in first year on a £10,000 loan at 6% interest. This proportion does not vary significantly by level of empowerment, but does vary similarly by demographic group. Those giving the correct answer are again more likely to be men (67% vs. 55% for women), those in social grades ABC1 (69% vs. 52% C2DE), with a degree (74% vs. 39% if no formal qualifications), those who are white and for whom English is their first language (62% vs. 51% if from ethnic minorities and 56% if English is not their first language).

We then asked four questions to test consumer knowledge of their rights. Most consumers know they have the right to return a product bought phone, post or over the internet four days after it is delivered (70%), but two-thirds do not know they have the right to have a fridge that breaks down after 18 months repaired or replaced for free if they do not have an extended guarantee (67%).

Awareness that the advertised price of airline flights must include all taxes fees and charges is lower, with only two fifths of consumers (43%) giving the correct response. A similar proportion (45%) of consumers recognise that a supplier of a faulty app has the chance to fix the problem before providing a refund.

The proportion of consumers getting the correct answer did not vary significantly by empowerment or demographic group. The only difference by empowerment group was that those in the low empowerment group were slightly more likely to say they did not know the answer rather than give a wrong answer. This suggests that those who feel more empowered are at *slightly* greater risk of thinking they know their rights when they do not, particularly the high empowerment group, although the difference is not that marked. For example, those in the high empowerment group are slightly more likely to think incorrectly that the supplier of a faulty app is not required to do anything 13% vs. 7-9% for other groups

Table 4.5 Consumer knowledge by empowerment group

	Group 1 (low)	Group 2 (low- medium)	Group 3 (medium- high)	Group 4 (high)
Base	210	757	791	661
Which flat screen TV cheaper (A: £500 with 10% discount, B:£400)				
The one sold in shop A	4%	6%	6%	6%
The one sold in shop B	79%	84%	85%	87%
They are both the same price	12%	6%	7%	5%
Don't know	5%	4%	2%	2%
How much interest charged in first year on a £10,000 loan at 6% per year				
£60	16%	18%	17%	19%
£300	7%	4%	5%	5%
£500	3%	2%	2%	2%
£600	57%	60%	61%	63%
Don't know	18%	15%	15%	12%
Right to return product 4 days after its delivered and get your money back without giving a reason				
Yes	69%	68%	70%	72%
No	24%	24%	24%	24%
Don't know	6%	7%	6%	4%
Right to have fridge bought 18 months ago repaired or replaced for free without extended guarantee				
Yes	29%	23%	28%	24%
No	58%	68%	65%	72%
Don't know	13%	9%	7%	4%
Rule think applies to advertising				

	Group 1 (low)	Group 2 (low-medium)	Group 3 (medium-high)	Group 4 (high)
the price of an air ticket				
The advert must state the total amount paid, including taxes, fees and charges	39%	41%	45%	44%
The advert must state the flight price but this does not have to include taxes, fees and charges	26%	27%	30%	28%
There is no specific rule for what information has to be shown	16%	18%	16%	19%
Don't know	20%	14%	9%	8%
Rule that applies to £4.99 app that keeps crashing				
The trader is required to provide a full refund	31%	32%	30%	32%
The trader has the chance to fix the problem before providing a refund	38%	42%	51%	44%
The trader is not required to do anything	9%	7%	8%	13%
Don't know	22%	18%	12%	12%

4.5. Awareness and use of consumer and enforcement agencies

Awareness and willingness to seek assistance from consumer and enforcement is key to helping consumers become more empowered and helping to address failures in the market.

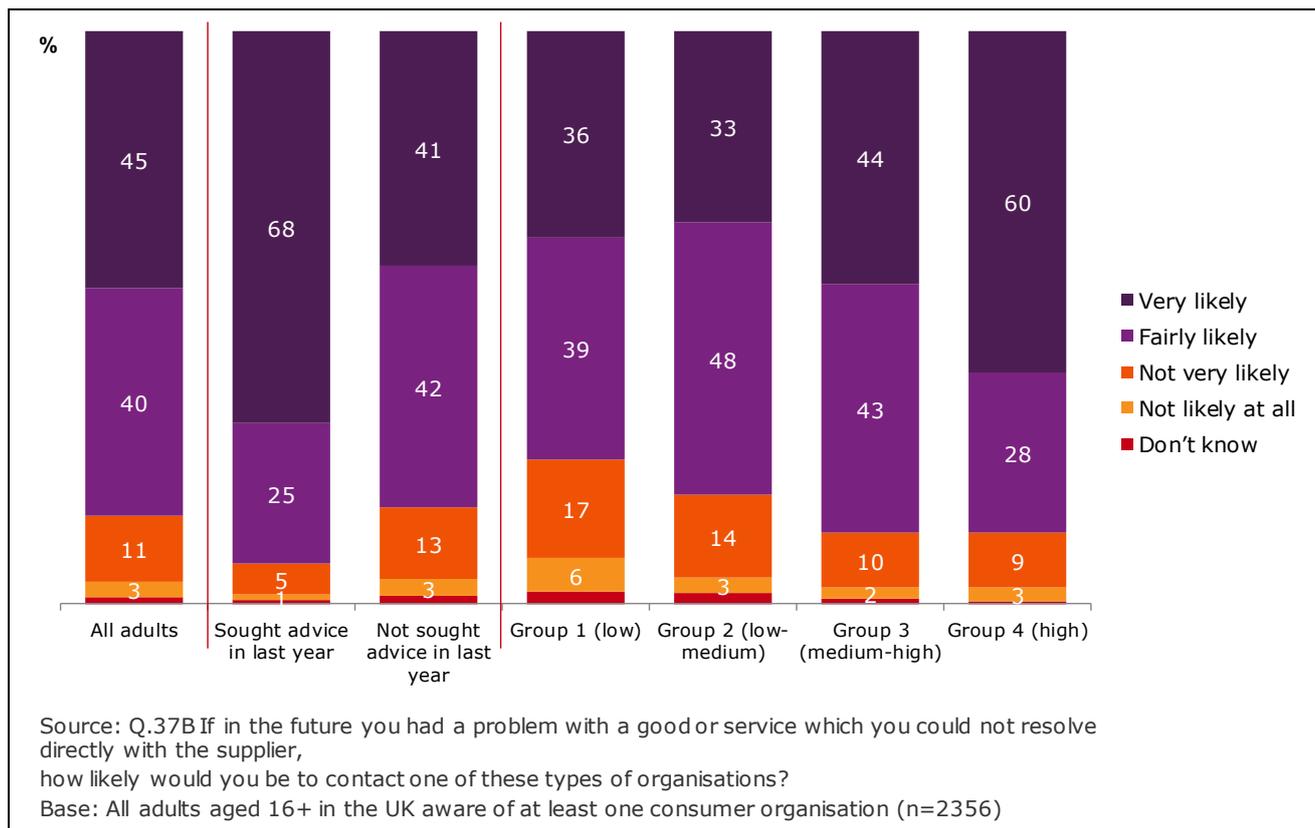
Almost all consumers (96%) are aware of one or more organisations that protect consumers and/or provide information or help if things go wrong. On average consumer were aware that 9-10 of the organisations listed provided this kind of assistance. However, awareness is lower amongst the low empowerment group. Consumers in this group are aware of seven organisations on average and six per cent have not heard of any of these organisations.

Awareness of Citizens Advice which is the main provider of information and help is high (87%) and 73% are aware of Trading Standards Service who have a key role in protecting consumers and providing list of suppliers who work to accredited standards. Awareness of individual regulators is lower but on average consumers are aware of one or two of these organisations.

One in six consumers (14%) claim to have sought help or assistance from one or more of the organisations in the last 12 months. Use is highest amongst those who feel least empowered; 23% of those in the low empowerment group have sought assistance compared with 15% of those in the low-medium empowered group, 13% on the medium to high and 12% of those in the high empowerment group.

Most consumers (85%) say they are likely to contact a consumer and/or enforcement agency if they had a problem with a good or service that they could not resolve directly with the supplier, with 45% saying they are very likely to do so. This proportion is higher amongst those who have used them in the last 12 months (68% and 41% respectively).

Figure 4.6 Likelihood of using consumer agency



Likelihood to use one of these agencies increases with empowerment. Notwithstanding that those in the low empowerment group are more likely to have used one of these organisations in the last 12 months, overall they are slightly less likely to say they will use them in future (75% likely to including 36% very likely). This suggests that those that have used them will use them again but others may be more reticent, which may, in turn, reflect the slightly lower level of awareness of the organisations amongst the lower empowerment group.

Likelihood to use these organisations is also higher amongst white people (86%) than people from ethnic minorities (74%) and also amongst those people aged 35-64 (87%).

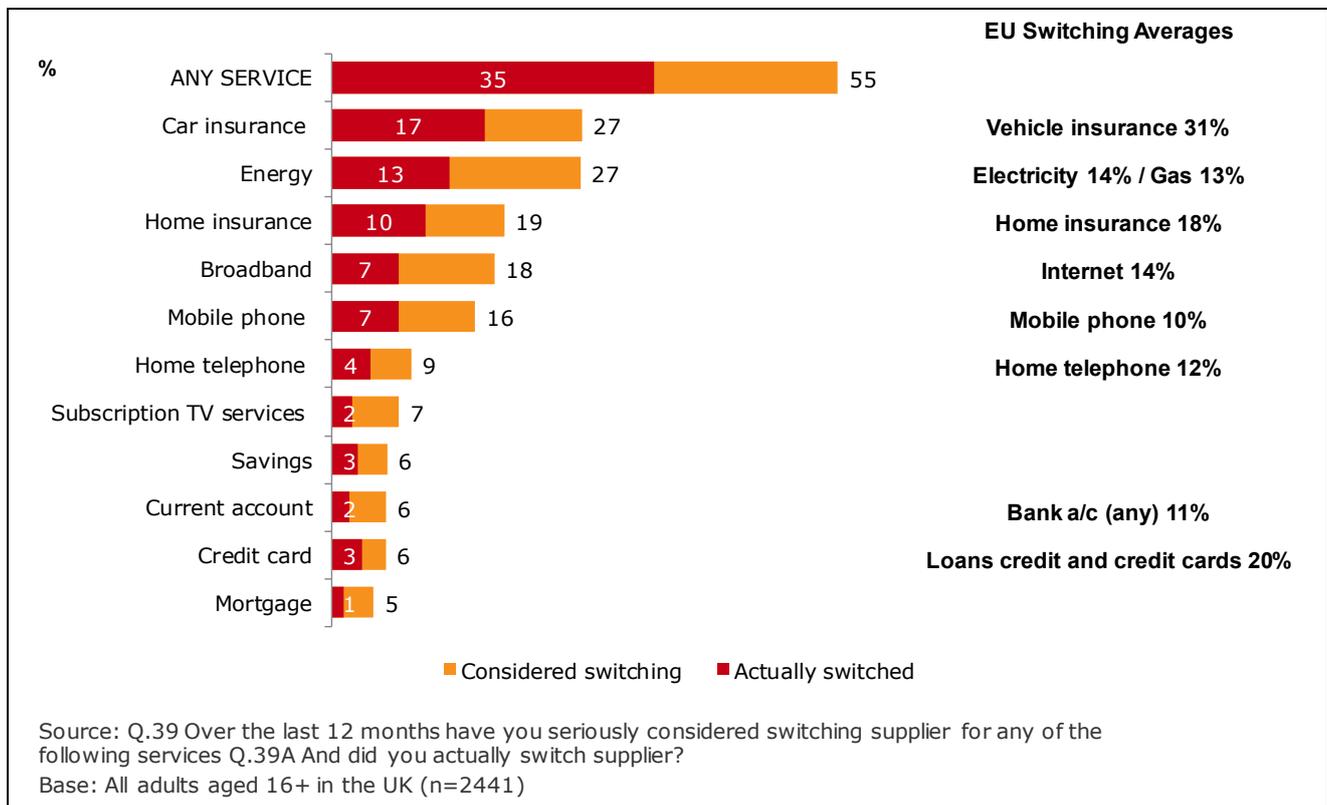
4.6. Switching suppliers

One of the markers of more empowered consumers is whether they consider and switch suppliers to get a better deal. The research examined whether consumer have switched or considered switching suppliers in the last 12 months in one or more of a number of regulated services which are known to be 'sticky'

Over half (55%) of consumer have considered switching one or more suppliers across the services surveyed. Two thirds of these (35% of all consumers) have actually switched supplier for one or more of these services in the last 12 months. Those consumer who are more likely to have considered switching one or more suppliers in the last 12 months are more likely to be people in social grades ABC1 (61% vs. 45% C2DE), educated to degree level (65% compared to 34% of those with no formal qualifications, be aged between 25-64 years (61%), be white (55% compared with 42% of ethnic minorities) and have internet access (58% compared with 24% without internet access). There is no significant difference by gender or empowerment group.

Consumers most often consider switching and switch car insurance and energy suppliers followed by home insurance. These switching levels are generally slightly lower than European statistics for the UK⁸, although the categorisation is not always wholly comparable) but the hierarchy is similar. Levels of switching in the energy market which covers both gas and electricity is broadly in line with European measures and Ofgem statistics (11% gas and 12% electricity)⁹

Figure 4.7 Consumer switching behaviour



⁸ http://ec.europa.eu/consumers/consumer_research/dashboard_part2_en.htm

⁹ Ofgem Customer engagement with energy market tracking survey 2013

5. Consumer problems

Consumer detriment can be experienced across all types of goods and services, in a variety of forms which may not always be obvious to the consumer. It is therefore not practical to attempt to measure detriment which consumers are unaware of (hidden detriment). The detriment referred to in this report relates only to types of detriment that consumers are aware of.

However, it should be borne in mind that the measurement of detriment is likely to contain some (non-measurable) bias. Consumers have been asked to 'self-report' problems they have experienced in the last 12 months. Accurate reporting will depend on the saliency of the issue and the consumer's recall ability. At a practical level it means that impacts may be over or under estimated. This approach to measuring detriment was broadly consistent with that taken in previous surveys¹⁰, but it does introduce an element of uncertainty which is not necessarily captured in the statistical confidence intervals.

This chapter begins by examining the proportion and type of consumers who experienced problems within the last 12 months and the number of problems experienced. It then discusses the types of goods and services they experienced problems with and the nature of the problem.

5.1. Proportion and type of consumers experiencing problems

Respondents were shown a detailed list of goods and services and asked which, if any, they had experienced problems with in the last 12 months, where they felt they had a genuine cause for complaint (regardless of whether they actually decided to complain about the problem).¹¹

Twenty-two per cent of consumers have experienced one or more problems with goods and services they have purchased in the last 12 months. This is the same proportion as in the 2012 study.

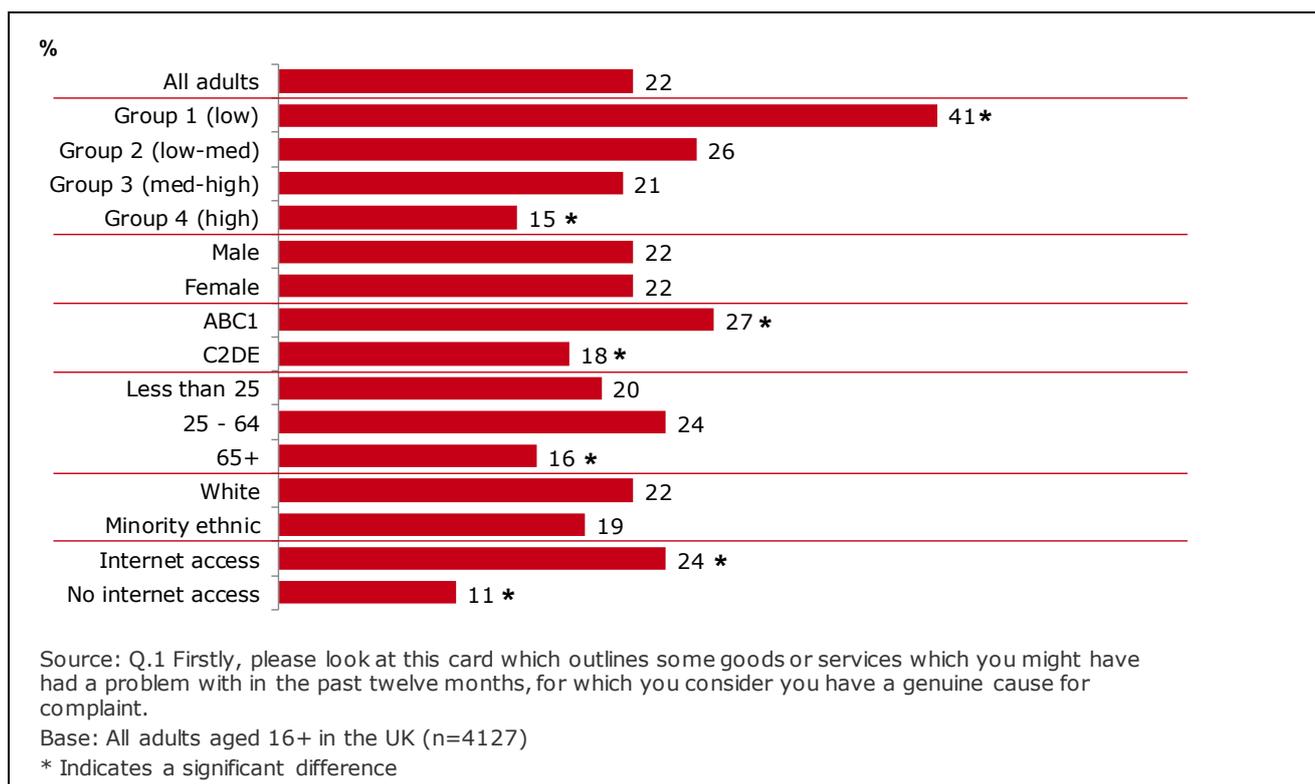
The incidence of detriment varies by some demographic groups. The most notable differences are by age and social grade. There is no significant difference by gender or ethnicity. The findings show a similar pattern to the 2012 survey.

As shown in Figure 5.1 the incidence of consumers experiencing problems with goods and services purchased in the last 12 months is higher amongst those aged between 25-64 years and significantly lower amongst older consumers (aged 65+) and younger people (aged 16-24). This reflects that they are less likely to be in full time employment and thus to have less spending power; consumers experiencing any problems in the last 12 months is higher amongst those in full or part-time work (25%), than those who are not working as they are retired (18%) or in fulltime education or not working (20%).

¹⁰ The approach in 2008 involved a two stage interview as opposed to one interview conducted in 2012 and 2014. The overall sample size was smaller in 2014 compared to the two previous surveys.

¹¹To maximise recall, further prompts were used in the form of a list of services and purchase channels to identify any (other) good and services they had encountered problems with in the last 12 months

Figure 5.1 Incidence of detriment by demographics



The incidence of detriment is also significantly higher among consumers in social grade ABC1 than C2DE, ranging from 29% for those in social grade AB to 16% for those in social grade DE and reflecting higher spending power. Linked to differences by social grade, the proportion of consumers experiencing any problems in the last 12 months increases with education level. It is highest amongst those with a degree (27%) or equivalent qualification (24%) and lowest amongst those with no formal qualifications (15%).

Other key differences in the incidence of detriment by demographic groups include:

- Internet access; highest amongst those with internet access (24%) and lowest amongst those without internet access 11%, reflecting that these tend to be older people and those in lower social grades
- Tenure; being highest amongst those with a mortgage (26%) and lowest amongst those living in public rented accommodation (19%). Incidence of problems amongst those who own their home outright is lower than those with a mortgage (20%), reflecting the fact that the first group are more likely to be older and retired. The proportion of those living in private rented accommodation experiencing detriment is 23%. This pattern was similar in 2012.

Those who have low empowerment are significantly more likely to have had a problem than those who are more empowered (see Figure 5.1 above). Two in five consumers (41%) in the low empowerment group have had one or more problems in the last 12 months, 26% of those in the low-medium empowerment group, 21% who are in the medium-high group and 15% of those in the high empowerment group. It is not possible to determine, whether there is any direct correlation, i.e. whether being less confident makes them more likely to have had a problem or having had a problem has dented their knowledge and confidence. However as discussed in section 4.3, those consumers with low empowerment are more likely to agree that in the last 12 months they have not bought a product because they were worried about what would happen if there were problems and are much less likely to feel positive that they will be dealt with fairly by suppliers when buying goods and services.

5.2. Types of problems consumers experience

Each of the problems identified were categorised in terms of the product or service. The classification, which was the same as used in previous surveys, uses a tiered system; consisting of six main groups and 64 categories or tier two categories.¹² The full list of categories can be found in Appendix 1.

Consumers are most likely to have experienced problems with household fittings and appliances and other household requirements such as food and drink, utilities, DIY materials, gardening and cleaning services.

As shown in Figure 5.2, 9% of all adult consumers have experienced problems with any type of household fittings and appliances, and 7% with any other household requirement, with smaller proportions (3% or 4%) experiencing problems with the other broad groups of goods and services. These proportions have not changed significantly since 2012. The proportion of consumers experiencing each of these types of problem broadly reflects the pattern of overall incidence.

In terms of the more detailed (tier 2) categories of problems, consumers most frequently report having experienced problems with home maintenance, improvements or installations (3% of all adult consumers), telecommunications (3%), large domestic appliances e.g. washing machines (2%), internet facilities (2%) and postal services (2% mentioning Royal Mail services and additional 1% mentioning other parcel delivery companies).

¹² Consumer Direct uses eight main groups, but this research did not cover commercial goods and services and broadcasting, as these occur in only very small numbers reported to CD. In the 2012 survey, additional questions were added to identify problems in the supply of regulated services, which included broadcasting). Consumer Direct 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.

Figure 5.2 Consumers experiencing problems with goods and services

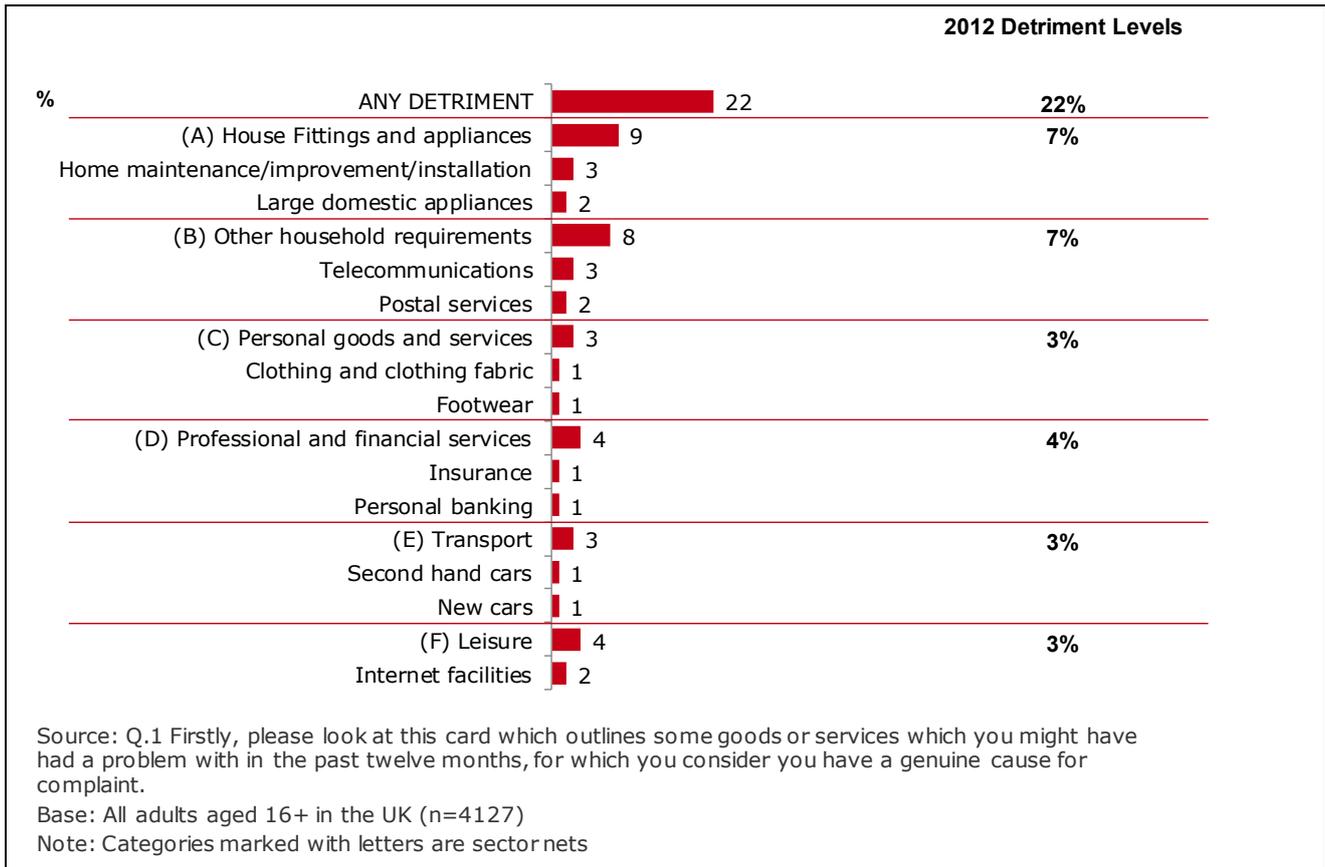


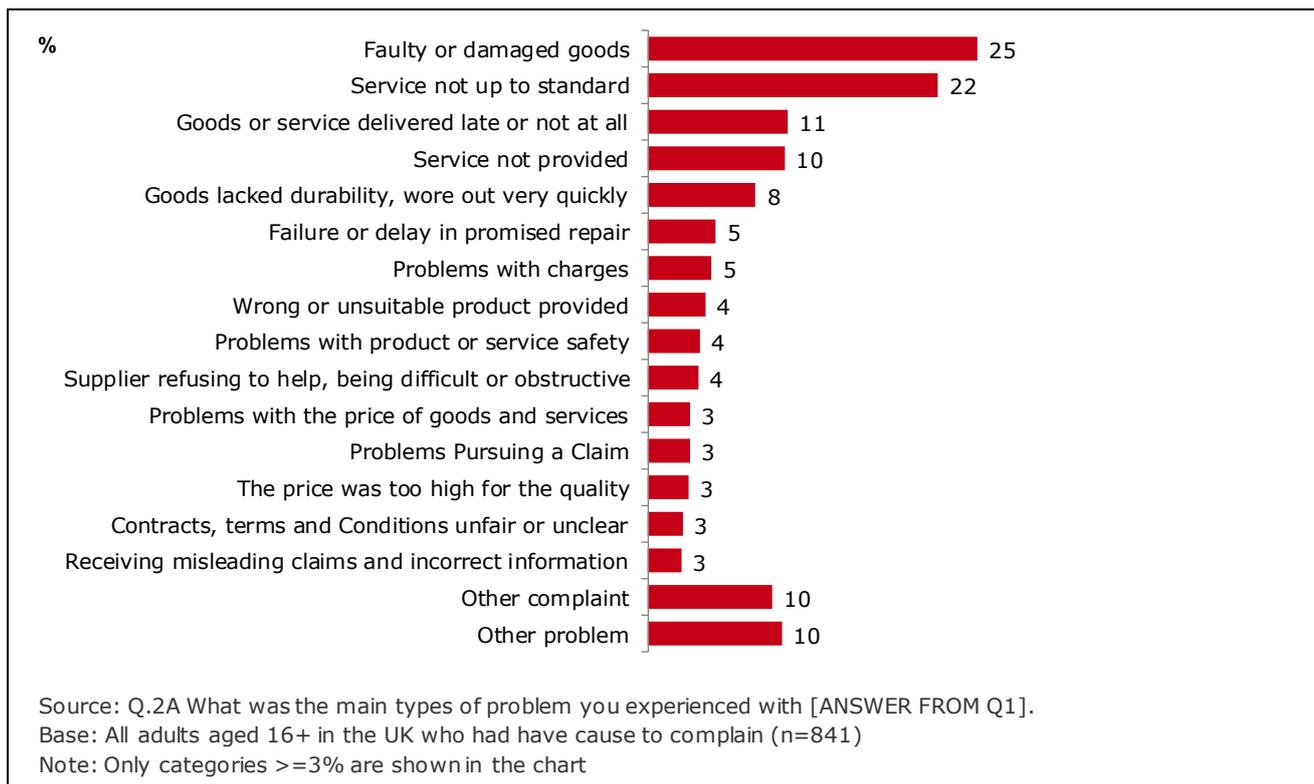
Figure 5.3 shows the main types of problem that consumers experience with goods and services. The list of categories was reduced from that used in previous surveys, so direct comparison is not possible.

The problems consumers most frequently report relate to the quality of the service or the product. A fifth of consumers (22%) had problems with the service not being up to standard; with a further 10% saying the service was not provided at all.

A quarter of consumers (25%) reported problems with faulty or damaged goods, with a further 8% complaining that the goods lacked durability and wore out quickly. One in nine respondents (11%) had a problem with the good or service being delivered late or not at all.

There are no significant differences in the types of consumers experiencing these problems.

Figure 5.3 Main problem consumers experience with goods and services



5.3. Number of problems experienced in last 12 months

Amongst those consumers that have experienced a problem in the last 12 months, about two thirds (68% or 15% of all consumers) have experienced just one problem. One in three consumers (32% or 7% of all consumers) experienced more than one problem and only 2% per cent of all consumers report experiencing four or more problems. There is a slightly higher proportion of consumers experiencing more than one problem in the last 12 months (7% compared to 6% in 2012) and the mean number of problems has risen significantly from 1.31 to 1.64 problems per consumer who experienced at least one problem in the last 12 months. As a result, the total number of problems consumers have experienced in last 12 months is estimated to be 18.7 million, up from 15.7 million in 2012. This compares with 26.5 million problems in 2008.

The increase in the number of problems over the last two years may reflect increases in GDP and consequent spend on goods and services over the last two years. Between January 2011 and December 2013 GDP increased by 4.1%¹³ and consequently there was an 11.7% increase in consumer spending¹⁴ over the same period of time. However, it should also be noted that such variations could also be the result of differences in the way people have reported the problems they have experienced.

In line with the incidence of problems, those consumers in social grade AB and with a degree are more likely to have experienced more than one problem in the last year (10% respectively). Similarly, those in the low empowerment group are more likely to have encountered more than one problem 15%, compared with 4% of the most empowered consumers and 8% and 6% respectively for those with low to medium and medium to high levels of empowerment.

¹³ http://www.ons.gov.uk/ons/dcp171778_356318.pdf

¹⁴ <http://www.ons.gov.uk/ons/rel/consumer-trends/consumer-trends/q4-2013/index.html>

5.4. Most frequently occurring problems

This next section examines the goods and services where problems have arisen and the type of problems that have been experienced. The analysis is based on the 1,124 problems identified and discussed in the first part of the study.

As can be seen from Figure 5.4, six in ten problems that consumers are experiencing are with house fittings and appliances (32%) and other household requirements (28%). A further 12% of problems are with professional and financial services and 11% with leisure services. This distribution is broadly similar to that found in the 2012 survey, but there are more problems associated with house fittings and appliances and other household requirements.

Figure 5.4 Goods and services – first tier categories with highest proportion of problems

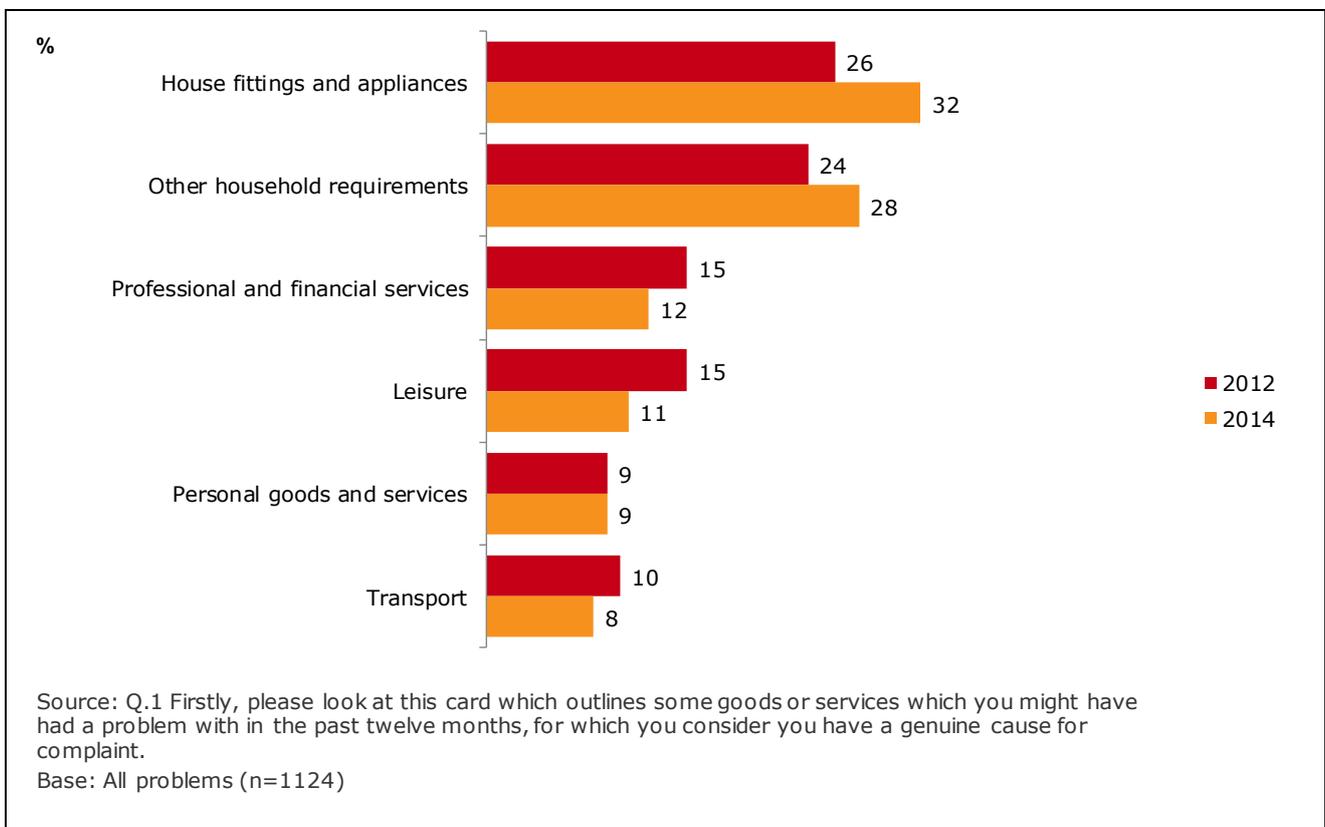


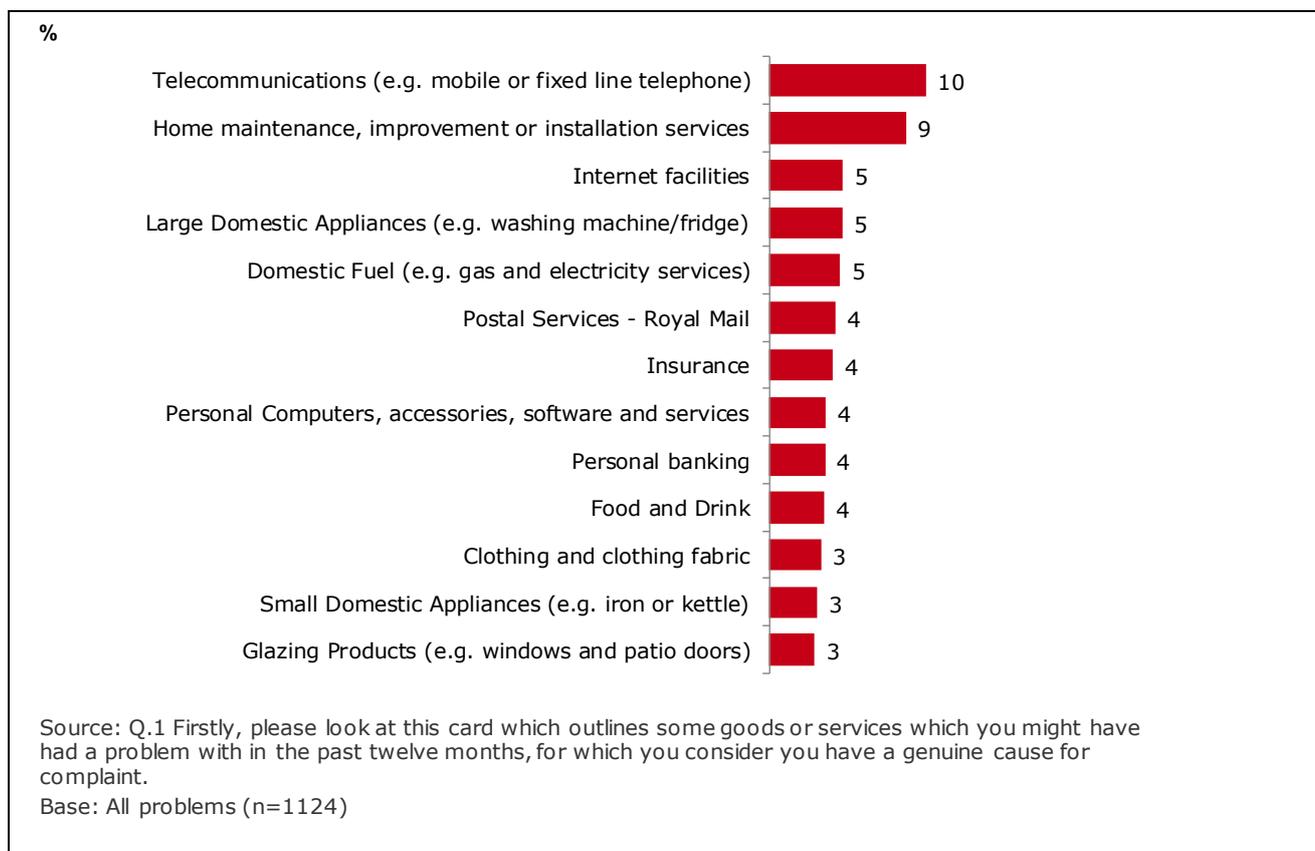
Table 5.1 below illustrates how the total number of problems in each sector have changed in the last 12 months. Just over 6 million problems have been experienced with house fittings and appliances and 5.1 m with other household requirements.

Table 5.1 Estimate of total number of problems experienced by consumers per sector in last 12 months

	Total 2014	Total 2012
Household fittings and appliances	6.1m	4.1m
Other household requirements	5.1m	3.8m
Leisure	2.0m	2.4m
Professional and financial services	2.2m	2.4m
Transport	1.5m	1.6m
Personal goods and services	1.8m	1.4m

Looking at the more detailed categorisation of goods and services, the most frequently occurring problems are with fixed and mobile telecommunications (10% vs. 8% in 2012) and home maintenance and improvements (9% vs. 5% in 2012). The next most frequent problems occurred at similar levels in 2012: internet services (5% vs. 6% in 2012), large domestic appliances (5% vs. 4% in 2012) and domestic fuel (5% vs. 6% in 2012). There was a small but significant decrease in the number of problems relating to personal banking (4% vs. 7% in 2012).

Figure 5.5 Goods and services – sectors (second tier categories) with the highest proportion of problem



6. Impact of problems

This chapter examines the impact of problems encountered on consumers. The first section will focus on the financial detriment that consumers experience as a result of the problems they have with products. This is a key survey measure as the information can be used to identify the average financial cost of detriment, and to estimate the total annual financial cost of consumer detriment among the UK adult population. It also examines whether financial loss differs by category or demographic sub-group, and how it has changed since 2012, and where applicable since 2008. Non-financial impact (time, emotional impact and spending patterns) is often significant. This is discussed later in this chapter.

Information in this chapter is based on the 1,124 problems discussed in more detail in the second part of the interview. Consumers were asked in detail about the impact of up to two problems encountered in the last 12 months¹⁵.

Consumers were asked about a wide array of factors that could have contributed to financial loss. This was done to get a more accurate estimate of the total level of detriment as consumers may not have included every factor (e.g. travel costs) when asked solely about the total costs incurred. However, it is worth noting that such self-reported data is subject to recall bias. Total financial loss is a netted figure which sums up nine different factors contributing to financial detriment:

- Cost to consumer of any telephone calls, postage or stationery
- Any travel costs the consumer incurred
- Costs to consumer on any legal matters or for legal advice
- Costs to consumer of getting any other type of expert advice or assistance
- Repairing or resolving the problem at the consumers 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 the consumer or any of his or her 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
- Cost to the consumer of lost earnings by not being able to work while taking time out to resolve the problem
- Any other ways not already covered in which the consumer spent money as a result of the problem

This method of calculating financial detriment is the same as used in previous surveys.

6.1. Amount of financial detriment incurred

In 2014, just over half (55%) of problems incur financial detriment. This is slightly but not significantly higher than in 2012 when 52% of problems incurred any financial detriment (see Figure 6.1). Further, the proportion of problems incurring higher levels of detriment (more than £20) has increased

¹⁵ Where consumers had encountered more than two problems in the last 12 months they were asked to select the two that were 'the most serious, in terms of causing the most trouble or cost' to discuss in more detail

significantly from a quarter in 2012 to almost a third in 2014, as has those incurring financial detriment of £1000 or more (up from 2% in 2012 to 5% in 2014). As a result the average amount of financial detriment per problem has risen, albeit not significantly, from £196 per problem in 2012 to £223 per problem in the last 12 months. In 2008 the average amount of detriment per problem was £249.

Figure 6.1 Changes in levels of financial detriment

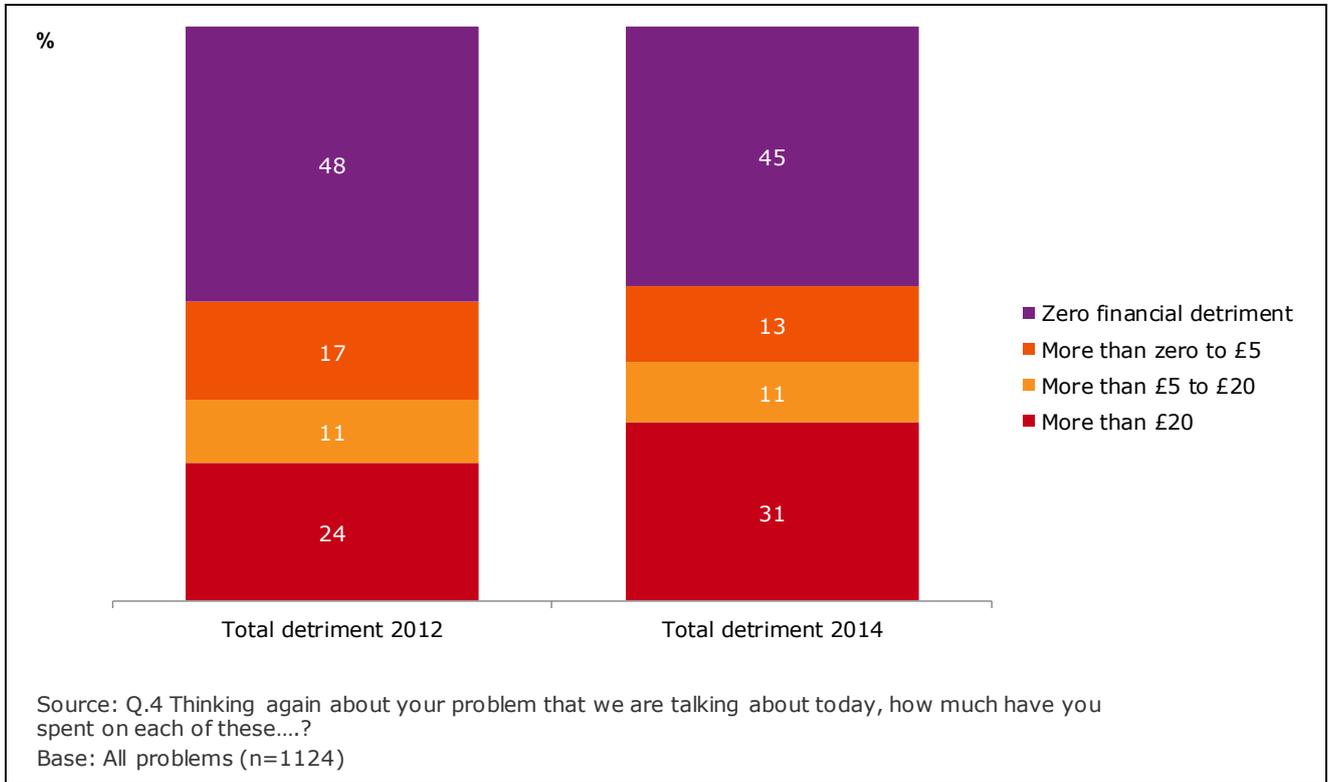
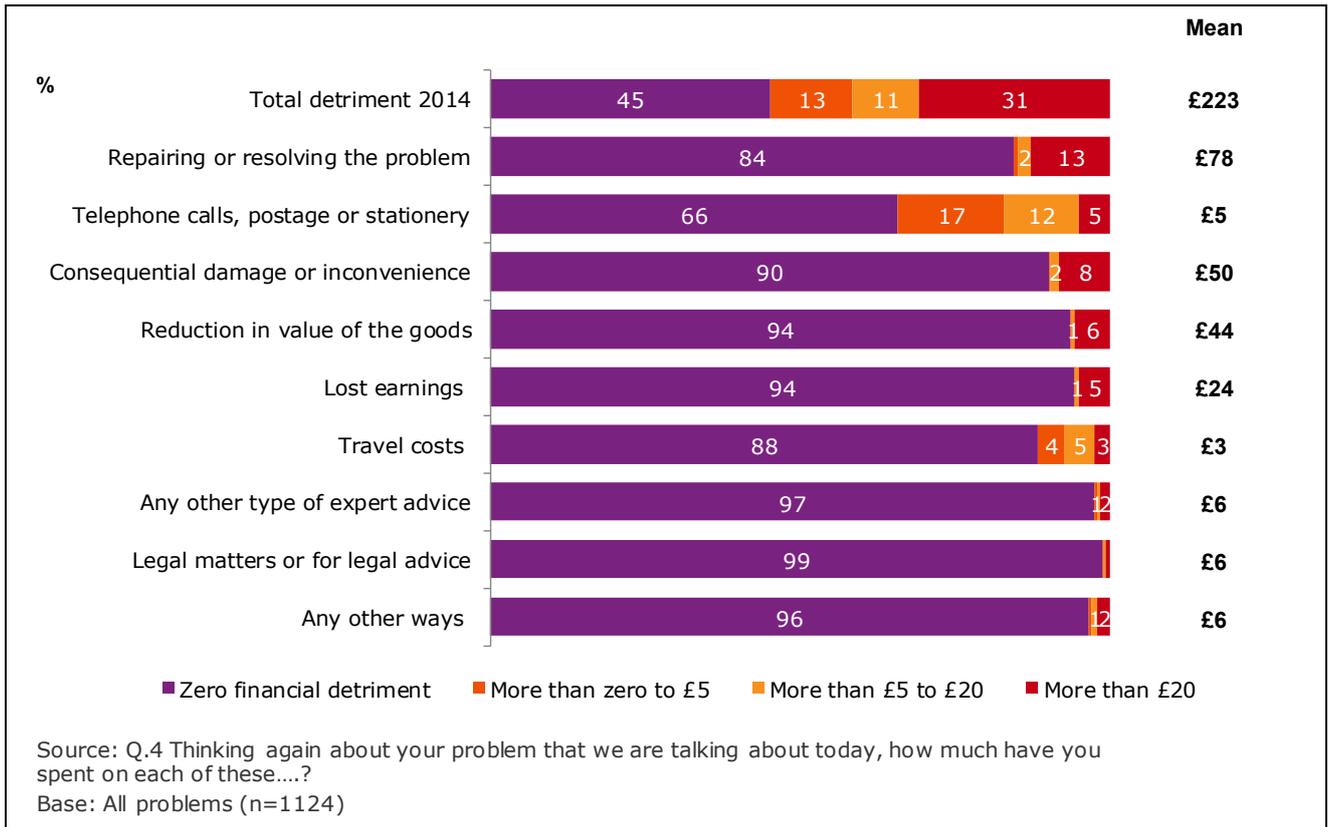


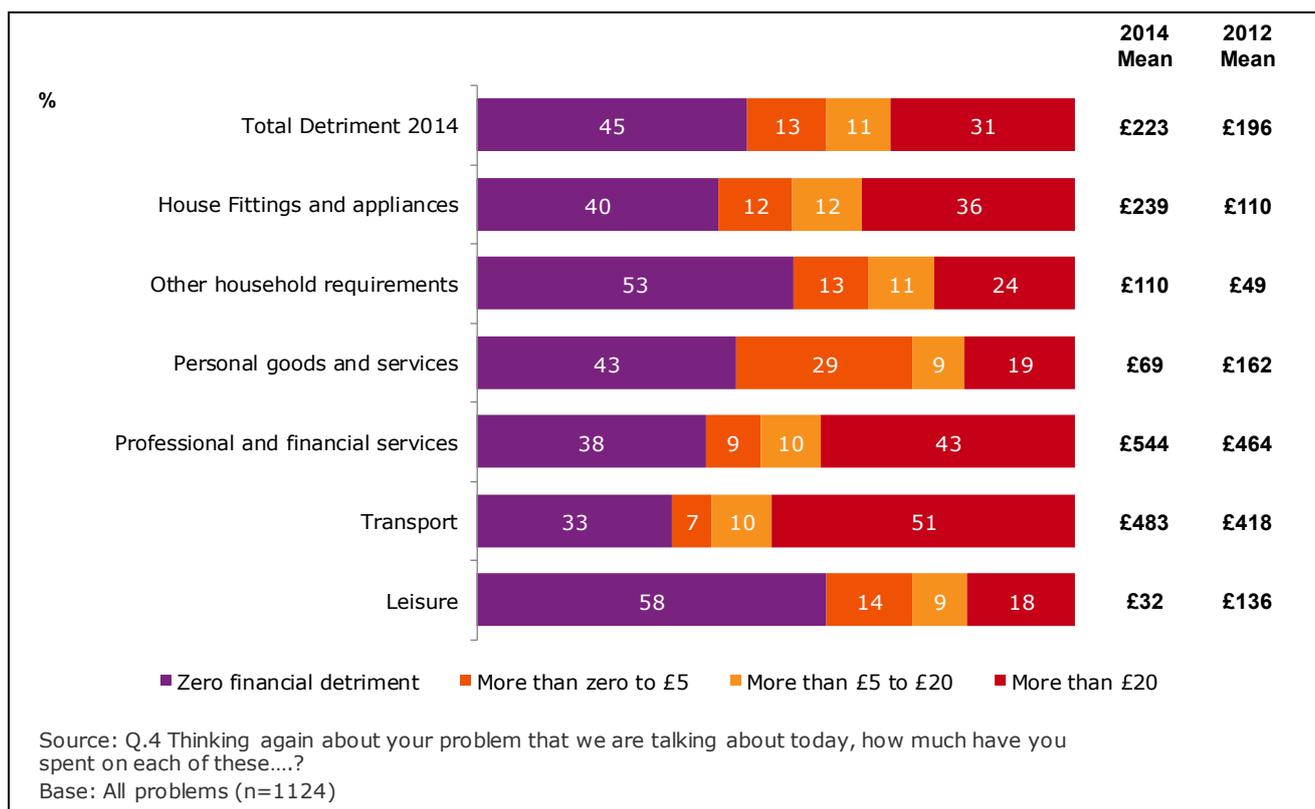
Figure 6.2 shows how the financial costs breakdown across the different factors. The categories of cost which account for the highest amounts of detriment are costs that consumer incur in repairing or resolving the problem and consequential damage or inconvenience. Consumers are less likely to incur these types of expense, but where they do arise they are more likely to account for higher costs (more than £20). Conversely consumers are more likely to incur costs for as telephone calls, postage and stationery but the amounts involved are typically lower.

Figure 6.2 Breakdown of financial cost



The amount of financial detriment also varies by sector (Figure 6.3). The highest mean average amount of detriment arises from problems with professional and business services (£544) and transport (£483). These are also the categories that incurred the highest average amounts of detriment in 2012. It reflects the higher proportion of problems which incur detriment of £20 or more. Leisure and personal goods and services are the categories incurring the lowest mean average amounts of detriment. For leisure services it reflects that this is the sector where problems are least likely to give rise to any financial detriment (58% of problems incur no financial detriment). For personal goods and services, where financial detriment does arise it is likely to be of a low level than average (73% of problems incur no or up to £5 of detriment compared with 58% of all problems). These are also the only two sectors where the mean average amount of detriment is lower than in 2012. For all other categories the mean average amount of detriment has increased.

Figure 6.3 Financial detriment by sector



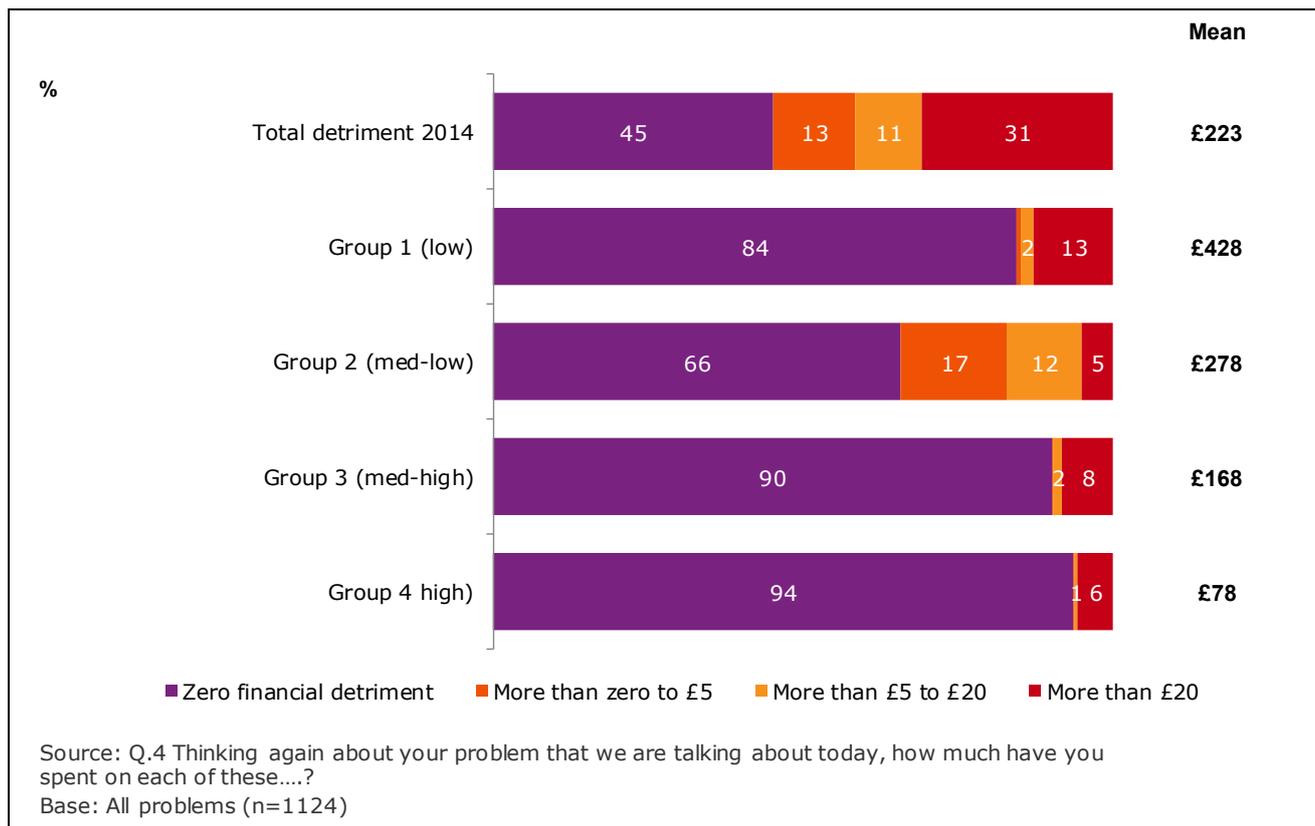
The levels of confidence around the mean levels of detriment in 2014 are shown in Table 6.1.

Table 6.1 Confidence interval of financial detriment by sector

Detriment by Sector	Mean	Standard Error	95% Confidence Interval		Number of problems
			Lower	Upper	
Overall detriment	£222.64	33.955	£156.01	£289.26	1124
House fittings and appliances	£239.31	56.890	£127.69	£350.93	370
Other household requirements	£110.49	62.986	£0	£234.08	317
Personal goods and services	£69.48	39.868	£0	£147.70	103
Professional and financial services	£543.57	150.866	£247.55	£839.58	131
Transport	£483.44	142.839	£203.18	£763.70	86
Leisure	£31.90	9.461	£13.34	£50.47	117

As shown in Figure 6.4, those consumers who have low empowerment who encounter problems are also more likely to suffer any financial detriment (72%) and higher levels of financial detriment, than more empowered consumers; almost half (49%) suffer detriment of more than £20.

Figure 6.4 Financial detriment by empowerment group



6.2. Overall detriment

The total financial cost of consumer detriment among the UK adult population is a key survey measure. However survey measurement has its limitations. It is difficult to verify whether consumers are over or under reporting the impact of the problem they have experienced. This means that the results are subject to unmeasurable bias which therefore cannot be reflected in formal statistical analyses. It is important to bear this in mind when interpreting apparent changes in the figures over time. In addition to this, the figures rely on a relatively small number of consumers who have reported suffering significant financial losses. These caveats notwithstanding, the measure of detriment in this way does provide a useful headline indicator of the scale of consumer problems across all markets.

The overall detriment to UK consumers in 2014 arising from problems with goods and services over the last 12 months is £4.15 billion¹⁶. This excludes detriment of which consumers are not yet aware, for instance mis-selling of financial products that comes to light much later. This is slightly higher than in 2012 (£3.08bn)¹⁷, but lower than in 2008 (6.62bn).

The increase is linked to the higher number of problems consumers are estimated to have experienced in 2014 (18.7m) than in 2012 (15.7m) and the slightly higher financial detriment per problem in 2014 (£223) compared with 2012 (£196). As both the number of problems in the population, and the average cost of a problem are both higher, this has led to a slight increase in the estimated overall financial detriment in 2014.

¹⁶ With 95% confidence the overall level of detriment lies between £2.92 bn and £5.41 bn.

¹⁷ The 2012 survey sampled adults 16+ in Great Britain, but the detriment figure was scaled to give an estimate for the whole of the UK.

The increase in detriment is likely to reflect the upturn in the economy over the last year and increase in consumer spending. Between January 2011 and December 2013 GDP increased by 4.1%¹⁸ and inflation by 9.2%¹⁹. Consequently there was an 11.7% increase in consumer spending²⁰ over the same period of time, while disposable income rose by just 1.8%²¹.

The estimate of overall detriment is dominated by a very small number of high cost events. Problems that cost a consumer more than £1,000 make up only 5% of consumer problems in 2014, but they comprise 75% of the total financial detriment.

Figure 6.5 shows the total level of detriment and how it is split by different strata. Detriment that is £5 or less constitutes 58% of all consumer problems. However, it only comprises 0.2% of the total financial detriment (£7 million). Similarly, problems that incur detriment to consumers of more than £5 and no more than £20 is 11% of all consumer problems but only 0.6% of all financial detriment (£25 million). Problems that cost the consumer more than £20 make up a third of consumer problems but they comprise 99% of all financial detriment for consumers. This pattern is very similar to the 2012 survey findings, but problems incurring £1000 or more of detriment account for 75% of total detriment compared with 78% in 2012.

Figure 6.5 Total financial detriment in the UK population in 2014

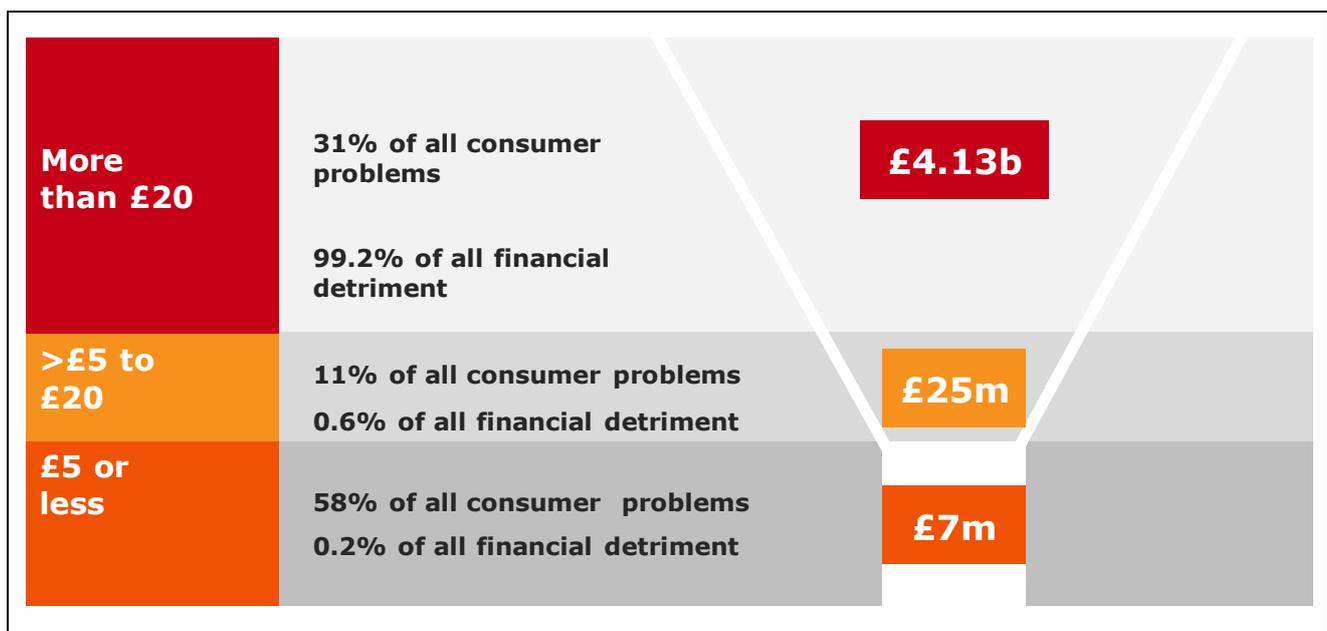


Table 6.2 shows how the total amount of detriment breaks down by sector. Half the consumer detriment is accounted for by problems with household fittings and appliances and professional and financial services. Problems with household fitting and appliances cost the consumer £1.46 billion in 2014 and professional and financial services an estimated £1.22 billion in 2012. There has been a significant increase in the amount of financial detriment incurred with problems with household appliances and fitting since 2012. This reflects that the proportion of problems with this category of purchase has

¹⁸ http://www.ons.gov.uk/ons/dcp171778_356318.pdf

¹⁹ <http://www.ons.gov.uk/ons/rel/cpi/consumer-price-indices/february-2014/stb---consumer-price-indices---january-2014.html>

²⁰ <http://www.ons.gov.uk/ons/rel/consumer-trends/consumer-trends/q4-2013/index.html>

²¹ http://www.ons.gov.uk/ons/dcp171778_356318.pdf

increased (from 7% to 9%) as well as the average mean amount of detriment per problem (up from £110 to £239). The amount of financial detriment accounted for by problems with professional and financial services and transport has remained at a similar level to 2012, but there have smaller changes in the amount of detriment accounted for by the other three categories, reflecting changes in the mean average amount of detriment.

Table 6.2 Total detriment by sector

	Total 2014	Total 2012
Household fittings and appliances	1.46 billion	£477 million
Professional and financial services	£1.2 billion	£1.2 billion
Transport	£737 million	£695 million
Other household requirements	£559 million	£167 million
Personal goods and services	£125 million	£194 million
Leisure	£64 million	£324 million

Table 6.3 shows the distribution of detriment across the empowerment groups. Those in the low empowerment group represent 7% of consumers, yet they suffer 27% of total detriment. At the other end of the scale consumers with high levels of empowerment (30% of the population) suffer only 7% of the total amount of detriment.

Table 6.3 Proportion of total detriment by empowerment group

	Proportion of population	Proportion of detriment
Group 1 (low)	7%	27%
Group 2 (low-med)	30%	41%
Group 3 (med-high)	33%	24%
Group 4 (high)	30%	7%

6.3. Non-financial impacts

The remainder of this chapter looks at the non-financial impact on consumers of problems they have with products and service. Non-financial impacts include:

- Time spent dealing with the problem, including having to take time off of work²²
- Emotional and psychological impact of having to deal with the cost, time and stress of trying to resolve a problem
- The impact on consumers normal spending patterns (particularly if there is a higher level of financial detriment incurred)

²² If they are self employed, time taken of work has been included as a cost in the estimation of financial detriment

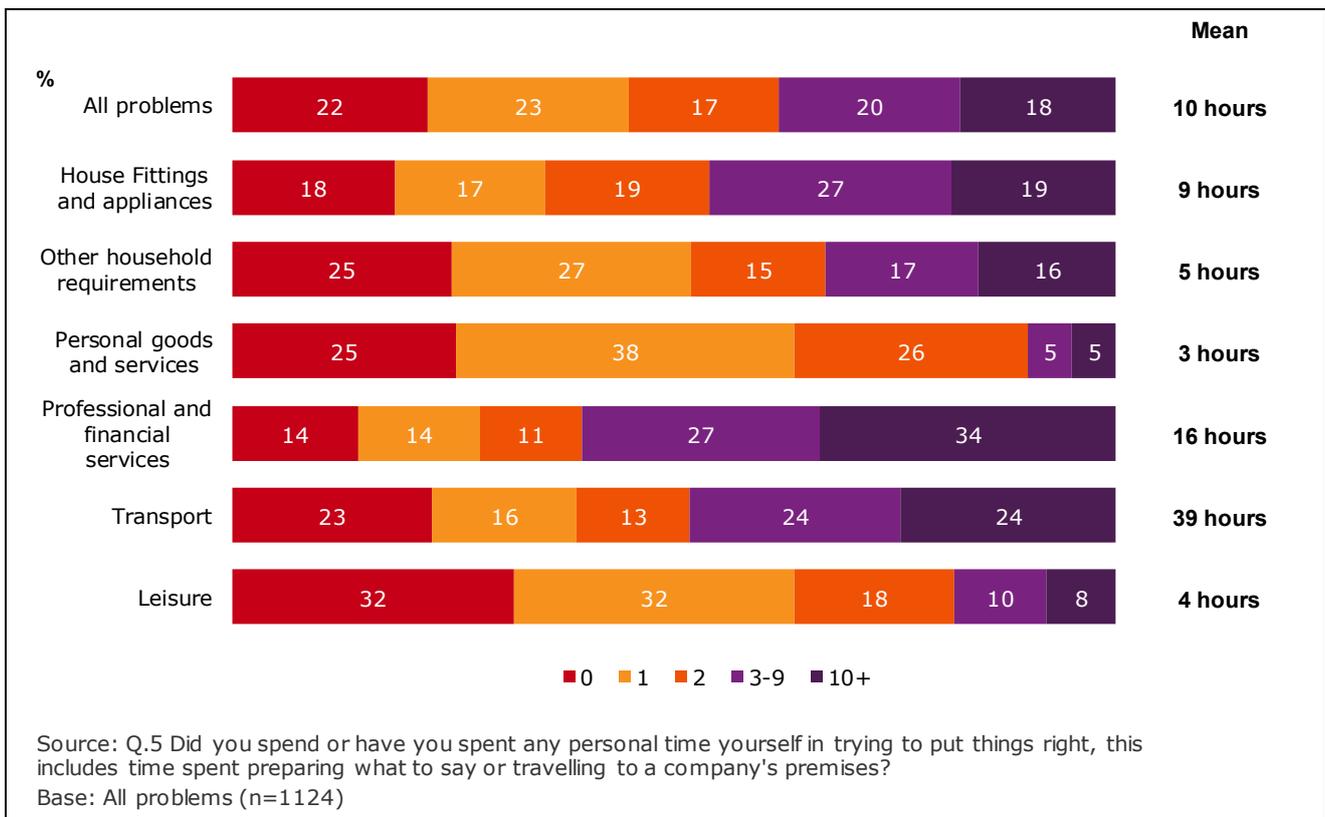
6.4. Time spent dealing with consumer problems

Most problems (78%) require consumers to spend personal time to putting things right. In just over a fifth (22%) of problems consumers spend no time, as not all consumers that have a problem about which they can justifiably complain actually do take the matter further or the problem can be dealt with in little or no time at all (56% of those who take no action to resolve their complaint spend no personal time, compared with 17% who take action).

Many problems can be dealt with fairly quickly; 40% taking one or two hours, but a similar proportion of problems take three or more hours to deal with, including a fifth (18%) taking 10 hours or more. Those in the lowest consumer empowerment group tended to spend longer dealing with a problem. A quarter of problems took at least 10 hours to deal with (18% overall).

The amount of time spent dealing with problems varies by the category of problem. Those with problems with professional and financial services and transport spend larger amounts of time trying to put problems right. For problems with professional and financial services, 60% consumers have spent three or more hours trying to put it right including a third who have spent 10 hours or more. Similarly for problems with transport, 48% spent three hours or more including a quarter (24%) that spent 10 or more hours. As discussed further below this reflects that consumers spend more time putting right problems which incur higher levels of detriment and problems in these sectors incur the highest levels of financial detriment.

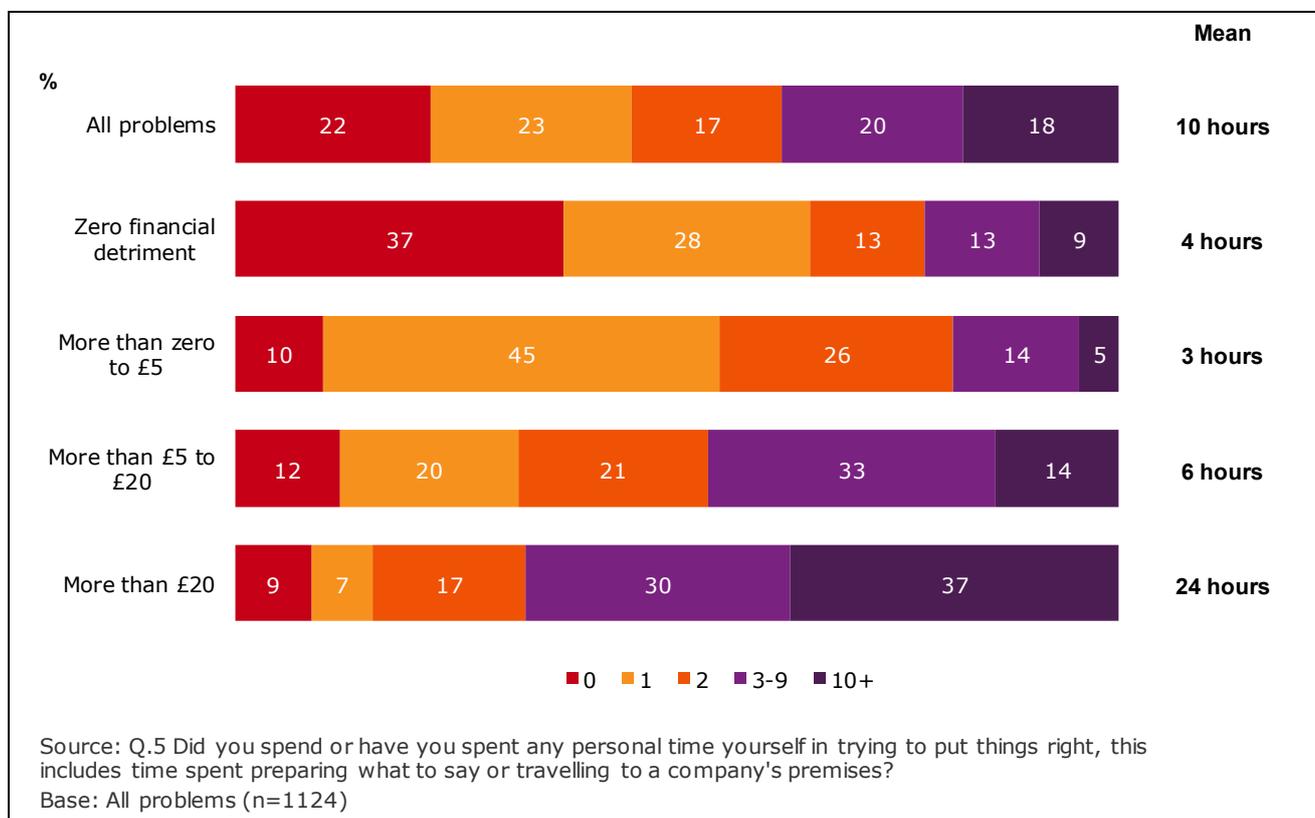
Figure 6.6 Amount of time that consumer problems take to deal with



The higher the financial detriment the greater the amount of time consumers spend dealing with the problem. No personal time is spent dealing with 37% of problems where no financial detriment is

incurred, compared with 9% where detriment of more than £20 arises. As illustrated in Figure 6.7, for problems that incur no financial detriment, an average of 4 hours of personal time is spent trying to put it right. This rises to 24 hours on average for problems that incur more than £20 of detriment. For problems that cost consumers more than £1,000 the average amount of time increases to 83 hours.

Figure 6.7 Amount of time spent dealing with problem, by levels of detriment



Overall the mean average amount of time spent dealing with problems is 10 hours. This indicates that in total in the order of 190 million hours were spent by consumers dealing with problems over the last 12 months.²³

In 12% of cases where consumers spend personal time dealing with a problem, this involves the consumer taking time off from work (equating to 10% of all problems). This proportion rises to 13% of problems amongst those who are working either full or part-time and 22% amongst problems incurring larger amounts of financial detriment (more than £20 compared with 4% of problems incurring lower or no financial detriment). Reflecting the overall amount of time spent dealing with problems, in 3% of cases where spend personal time dealing with problems, consumers have to take just one to two hours off work but a similar proportion (4%) take 10 or more hours off work.

However, as nine in ten consumer problems do not require consumers taking time off work to deal with the problem, the mean average amount of time taken off work is 1 hour this being slightly higher among problems with higher levels of detriment (3 hours for those with detriment of more than £20). This

²³ This estimate assumes spent 10 hours on average dealing with the 18.7 million problems arising in the last 12 months.

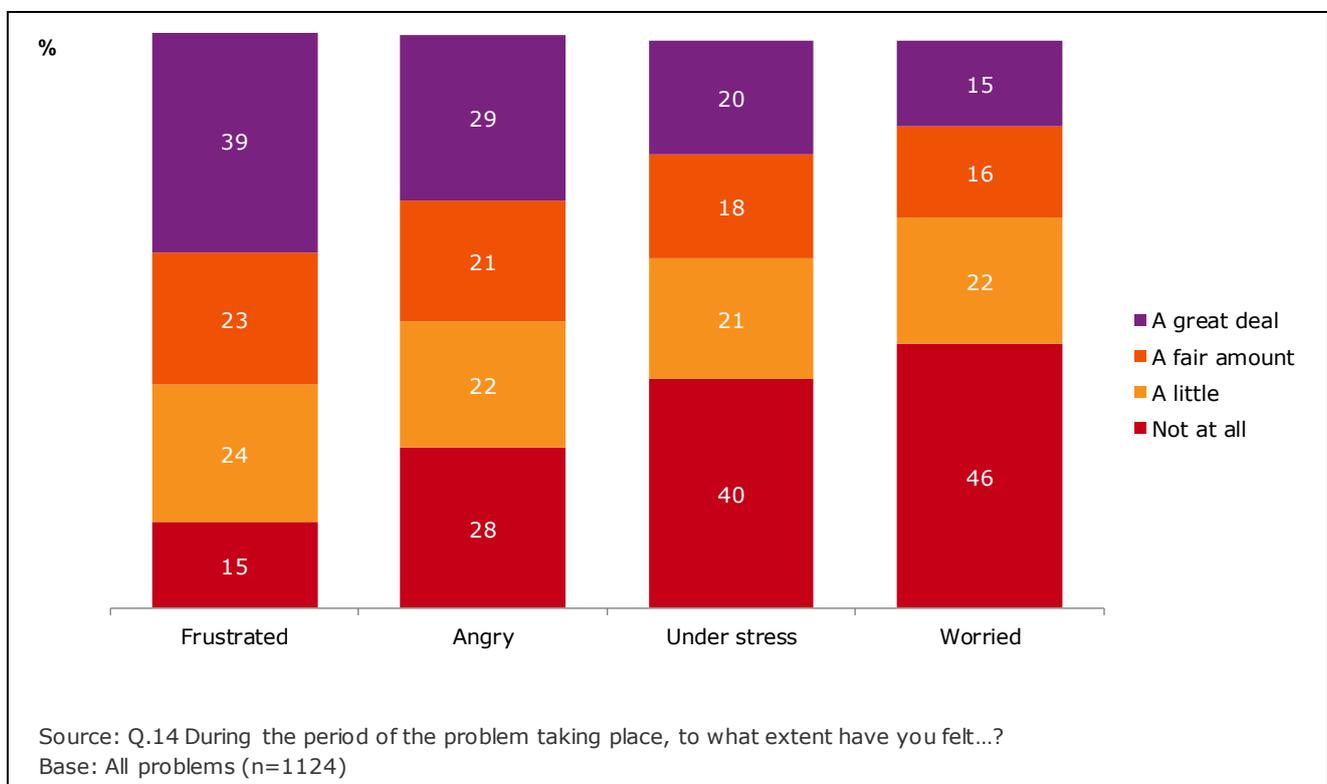
indicates that in total consumers have had to take in the order of 22 million hours off work to deal with problems over the last 12 months²⁴.

6.5. Emotional impact of consumer problems

The combination of the direct financial detriment, the amount of time taken and the stress of dealing with a consumer problem leads to 44% of problems causing a great deal of emotional impact of at least one kind. This is more likely to be the case where the problem is not fully resolved or the consumer is dissatisfied with the outcome.

The most common reaction is frustration, with just one in six problems not causing some level of frustration. Figure 6.8 shows how this is broken down.

Figure 6.8 Emotional impact of consumer problems



Problems are most likely to leave consumers frustrated or angry. Six in ten problems (61%) engender either a "fair amount" or a "great deal" of frustration and half (50%) cause consumers a "fair amount" or a "great deal" of anger. Four in ten (38%) problems leave consumers feeling under either a "fair amount" or a "great deal" of stress. The emotion that consumer problems are least likely to cause is worry, with just under half (46%) saying that they are not worried at all by their problem.

All levels of emotional impact are linked with cost of financial detriment. The higher the financial cost of a problem, the more likely it is that the problem causes stress, anger, worry and frustration to the

²⁴ This estimate assumes spent 1.2 hours on average has to be taken off work to deal with the 18.7 million problems arising in the last 12 months.

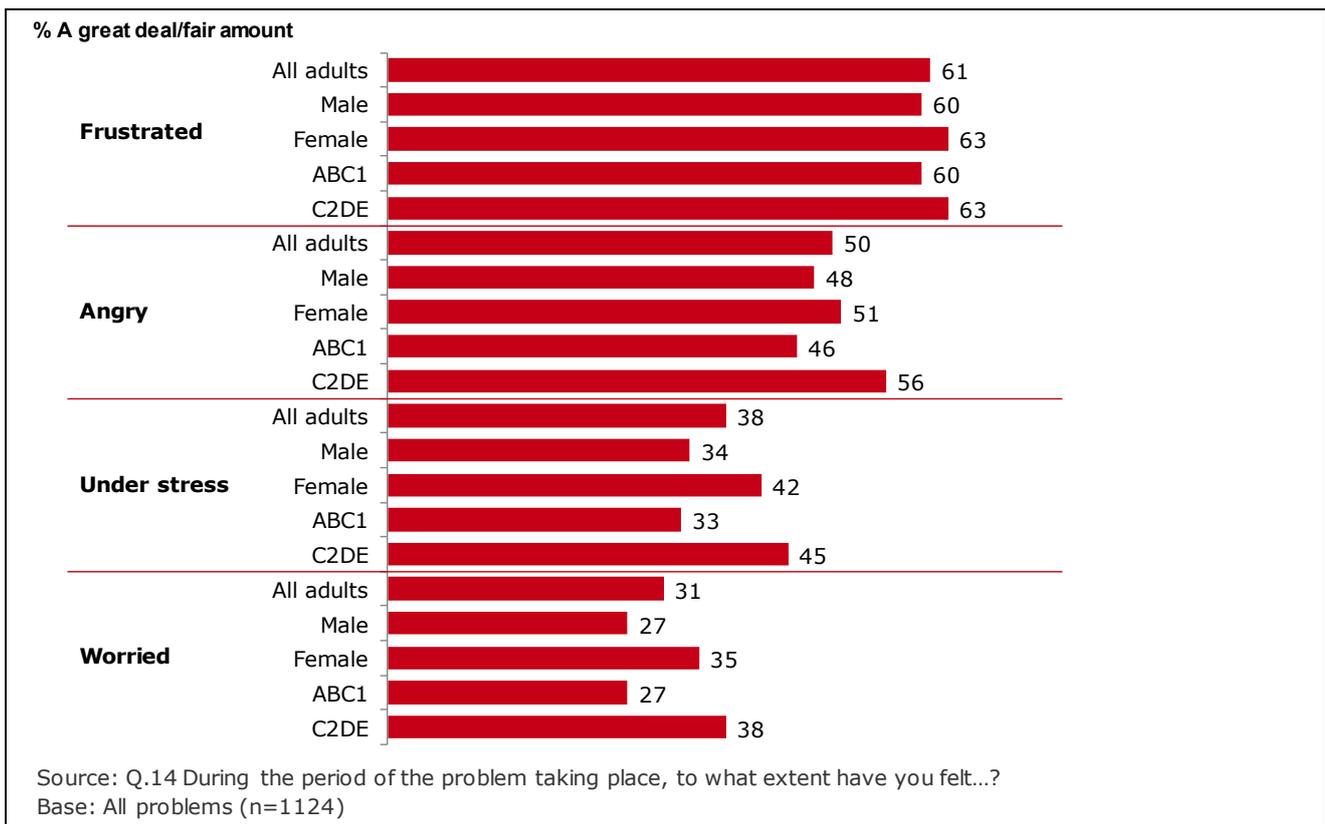
consumer. Three in ten of problems with no or low financial detriment cause a great deal of emotional impact of any kind (32% of problems where there is no detriment or financial detriment is up to £5 and 35% where detriment of £5-20 is incurred) but this rises to 64% for those problems with detriment over £20, and 78% of problems that have a detriment of more than £1000.

Problems with professional and financial services have the highest emotional impact. This is correlated with detriment cost as this category has the highest average financial detriment. Amongst those having problems with professional and financial services 58% experience a great deal of frustration, 48% a great deal of anger, 32% a great deal of stress and 28% a great deal of worry.

The emotional impact of consumer problems varied by gender and social grade. Consumer problems have more of an emotional impact on women than men. Overall, 47% of problems provide some level of strong impact (great deal) on women, and 41% of men. This pattern is consistent with findings from the 2012 research.

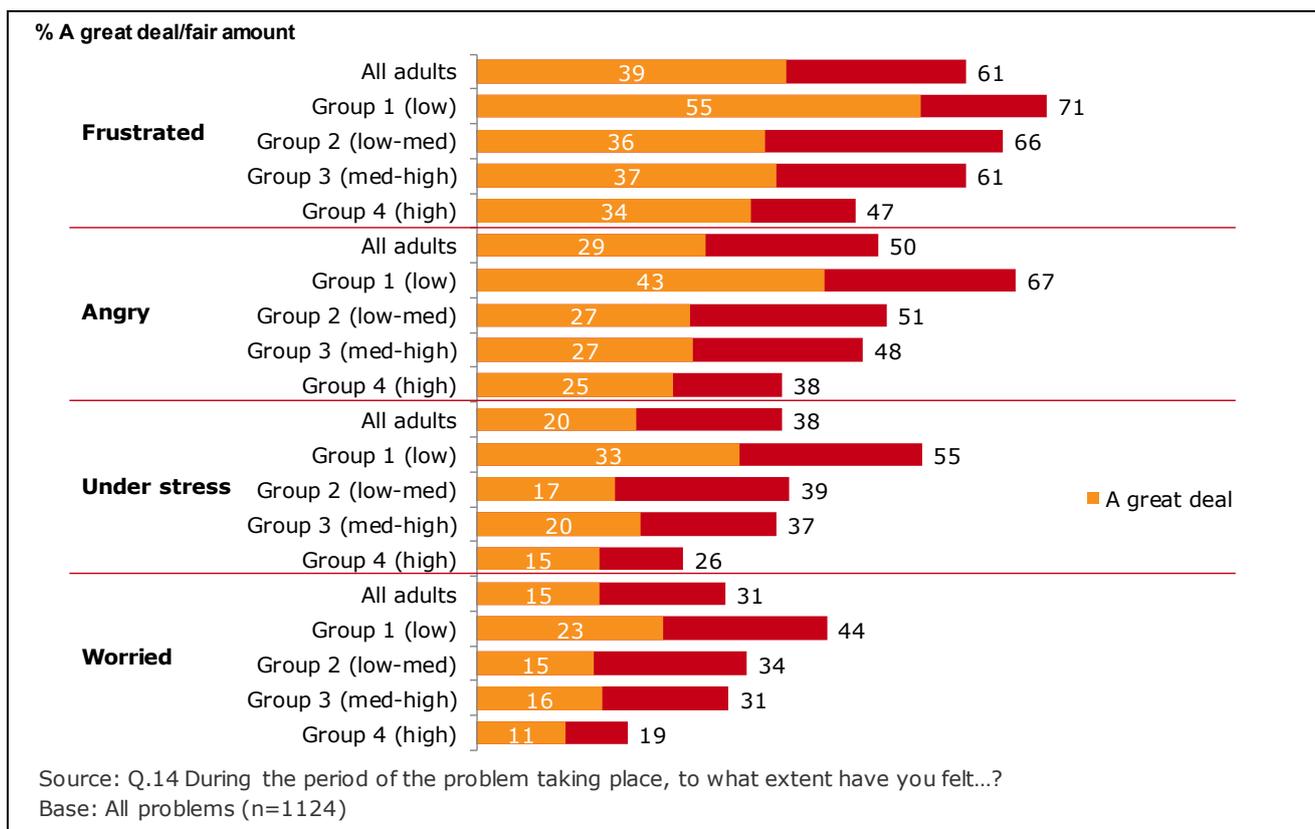
Consumers in social grades C2DE are more likely to be impacted a great deal by stress, worry and anger than consumers in social grades ABC1. However, there is no significant difference by in levels of frustration, and taking all factors into account, there is a similar level of consumers in ABC1 and C2DE who have felt a great deal of impact of some emotional factor.

Figure 6.9 Emotional impact of consumer problems, by demographics



It also varied by how empowered consumers feel (Figure 6.10). Consumers in Group 1, the lowest empowerment group, are more likely to be impacted a great deal by frustration, stress, worry and anger than consumers in the highest empowerment group.

Figure 6.10 Emotional impact of consumer problems, by empowerment group



6.6. Impact on spending patterns

Consumers report a high level of emotional impact due to problems with products and services. There is much less evidence that consumer problems impact on their financial welfare, reflecting that the majority of consumer problems lead to a low level of financial detriment (45% of problems lead to no financial cost). Fourteen per cent of problems impact on consumer spending patterns in any way. This is more likely to be the case for those problems incurring higher levels of detriment (30% where detriment was £20 or more, compared with 6% of problems incurring up to £20 of detriment and 5% no financial detriment and those problems with professional and financial services (31%) as they incur the highest levels of detriment. There is no significant difference by gender or social grade.

Spending patterns are also more likely to be impacted for those in the lowest empowerment group. Twenty eight per cent of problems suffered by this group result in any kind of spending impact compared to 9% of problems experienced by those with high empowerment.

Seven per cent of problems impact on each type of spending surveyed; these were consumers’ ability to spend on:

- important essentials, such as bills and mortgage or rent payments
- other essentials such as food
- non-essential regular items such as DVDs or take away food
- luxury items such as holidays.

Sample bases for problems impacting on each type of spending are small ²⁵, so finding should be treated with caution, but suggest the problems are more likely to impact to a very or quite large extent on luxury items and important essentials.

In just over a quarter of cases (26%) where problems had an impact on spending patterns these returned to normal within a month, but in a similar proportion of cases (25%) it took up to six months and for three in ten problems spending patterns had not yet returned to normal.

²⁵ Base of 72-83 problems for each type of spending so results should be treated with caution and as indicative only

7. Problem resolution and consumer satisfaction

Having looked at the impact (financial and non-financial) of consumer problems this chapter examines whether consumer problems are resolved or whether they are on-going, together with consumer satisfaction with the resolutions or customer service they receive. More specifically it examines

- How many consumers took action to resolve their problem and whether this involved a consumer or enforcement organisation
- How satisfied are consumers with the resolution or outcome so far
- Do consumers expect problems to be resolved to their satisfaction
- Will consumers pursue problems, if they are not yet fully resolved
- How satisfied consumers are with the customer service they received from the companies that provided the service or made the product and what actions have been taken by these companies
- Impact on future behaviour

Information in this section is also based on the 1,124 problems discussed in more detail in the second part of the interview.

7.1. Action to resolve problems

In almost nine in ten cases (87%), consumers have taken some action to resolve their problem. This is slightly, but significantly higher than in 2012 (81%). It may reflect the slightly higher level of detriment incurred, as those incurring any financial detriment are more likely to take action to resolve their problem. 86% of those incurring financial detriment of up to £20 took any action, rising to 90% amongst those incurring detriment of £20 or more, compared with 83% who did not incur any financial detriment. Those in social groups ABC1 are more likely to take action to resolve a problem (89% ABC1, 85% C2DE) as are those with higher levels of education (88% of those educated to degree level, 81% with no formal qualifications). It is also slightly higher amongst those that had switched supplier in the last 12 months²⁶ (89% if switched, 85% if not switched). However, there is no significant difference by empowerment score. Those with a problem with transport are significantly less likely to take action (74%) but otherwise there are no differences by sector.

The main reasons for not taking any action to resolve the problem was that it would take too much time and effort (22%), they did not think they would get a satisfactory result (14%) and that they did not feel the problem was serious enough (12%) or amount of money involved was too small (6%). Only small proportions said they did not take action because they did not know how or to whom to complain (5%) or did not know their rights (2%).

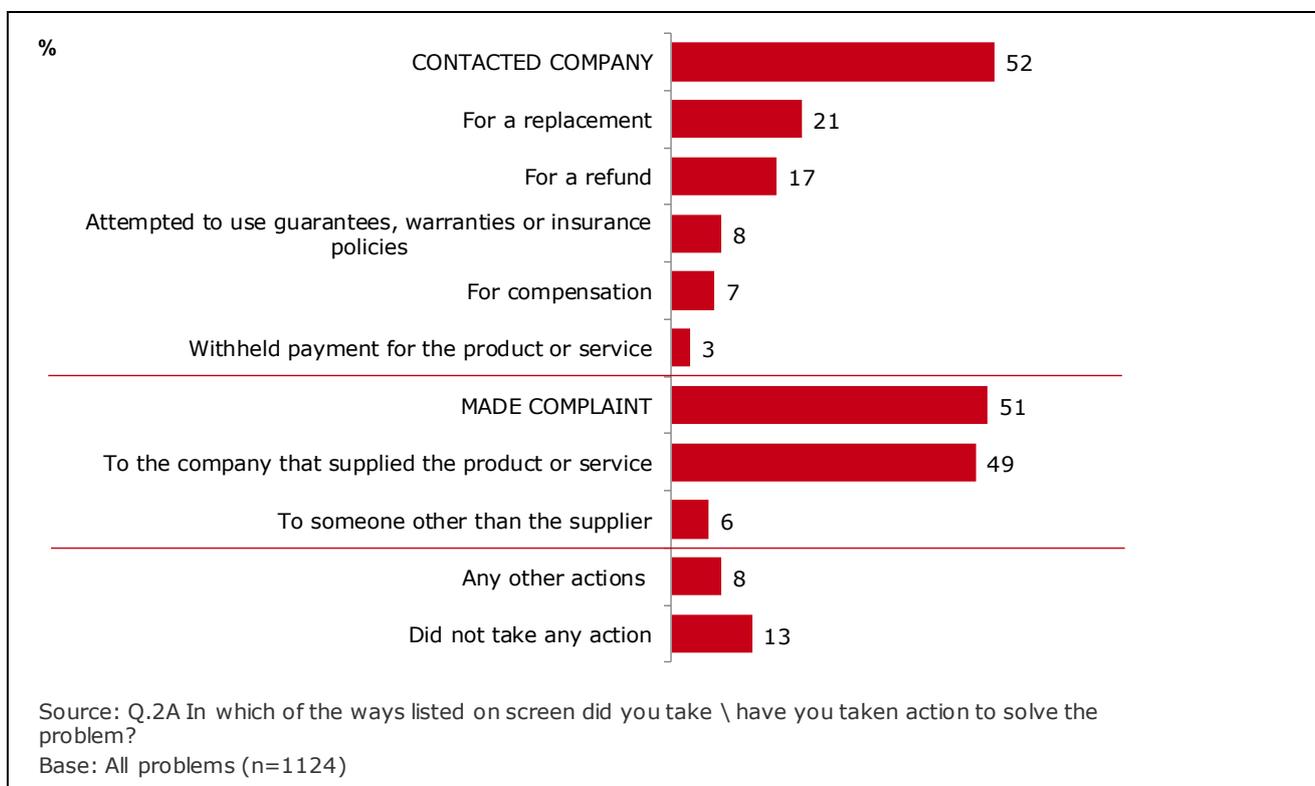
The most frequent action consumers take to try and solve the problem is to make a complaint to the company/firm from which the good or service was obtained (49%). In a further 6% of cases consumers

²⁶ Switched supplier in last 12 months for any of the services covered in the study

complain to someone else. This was most likely to be the Ombudsman or local council (18% and 14% of those complaining to someone other than supplier). In 4% of cases, complaints are made to both the company and firm providing the goods and services and to someone else. Those with problems incurring higher levels of detriment of £20 or more are more likely to make a complaint (57%) and to involve someone other than the supplier (11%). For those problems where consumers made a complaint they are more likely to also incur a great deal of emotional impact of any kind in dealing with the complaint. There was no difference by empowerment group.

In half (52%) of problems, the consumer contacted the company, mainly to obtain a replacement (21%) or refund (17%). In a smaller proportion of cases compensation is requested (7%) or consumers try and use guarantees, warranties or insurances (8%). For a minority of problems, payment for the product or service is withheld (3%).

Figure 7.1 Action taken to resolve problem



Overall, for one in ten problems (12%) consumers make a complaint or seek information, help or advice from a consumer or enforcement body in trying to resolve their problem. C2DEs were more likely to contact a consumer advice organisation (15% vs. 10% of ABC1), but it did not differ by any other demographic group including consumer empowerment group.

Advice was more often sought for problems that incurred more than £20 of detriment (22% vs. 8% of problems that incurred no financial detriment).

Consumers contact a wide variety of consumer or enforcement bodies including local councils, Citizens Advice, Ombudsman and trading standards.

Figure 7.2 Consumer organisation made complaint to or sought advice from



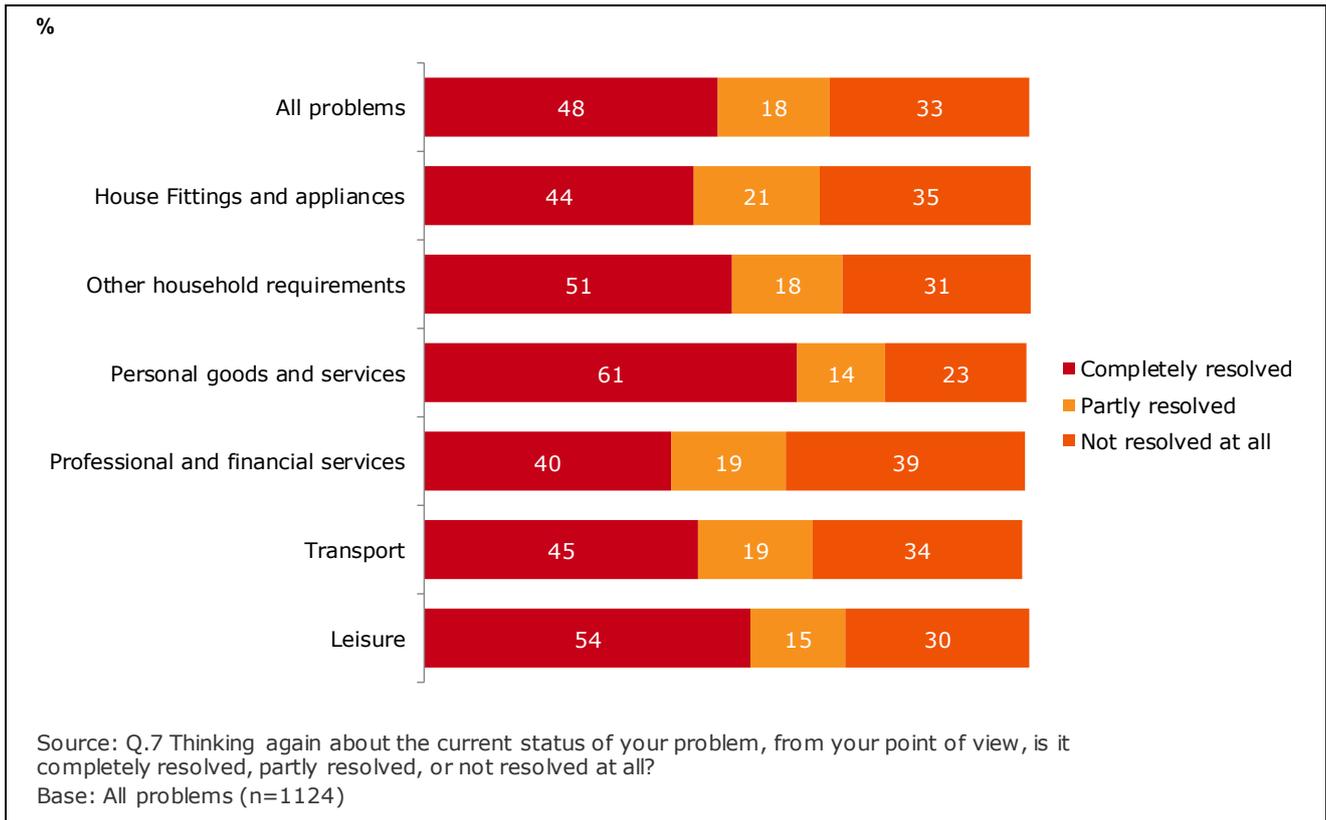
Where consumer or enforcement organisations are involved in helping to deal with a problem, consumers are most likely to contact them after contacting the supplier but before the problem is resolved (43%). Similar proportions contact these organisations either before (21%) or at the same time (22%) as contacting the supplier. Only one in ten (11%) contacted them after supplier had offered a resolution.

With problems where consumers have involved a consumer or enforcement organisation, most (83%) find it easy to find the organisation and help they need; including almost half (46%) finding it very easy. Whilst in over half these cases (54%) consumers are very or at least fairly satisfied with the assistance they receive, 43% are not satisfied including one in five who are very dissatisfied (19%). Sample sizes are too small to detect any significant differences by sub-groups.

7.2. Problem status

Almost half of problems are considered resolved (48%), while a third (33%) are considered not to be resolved at all. The pattern was similar in 2012. The proportions do not vary significantly by how long ago the problem started.

Figure 7.3 Problem status



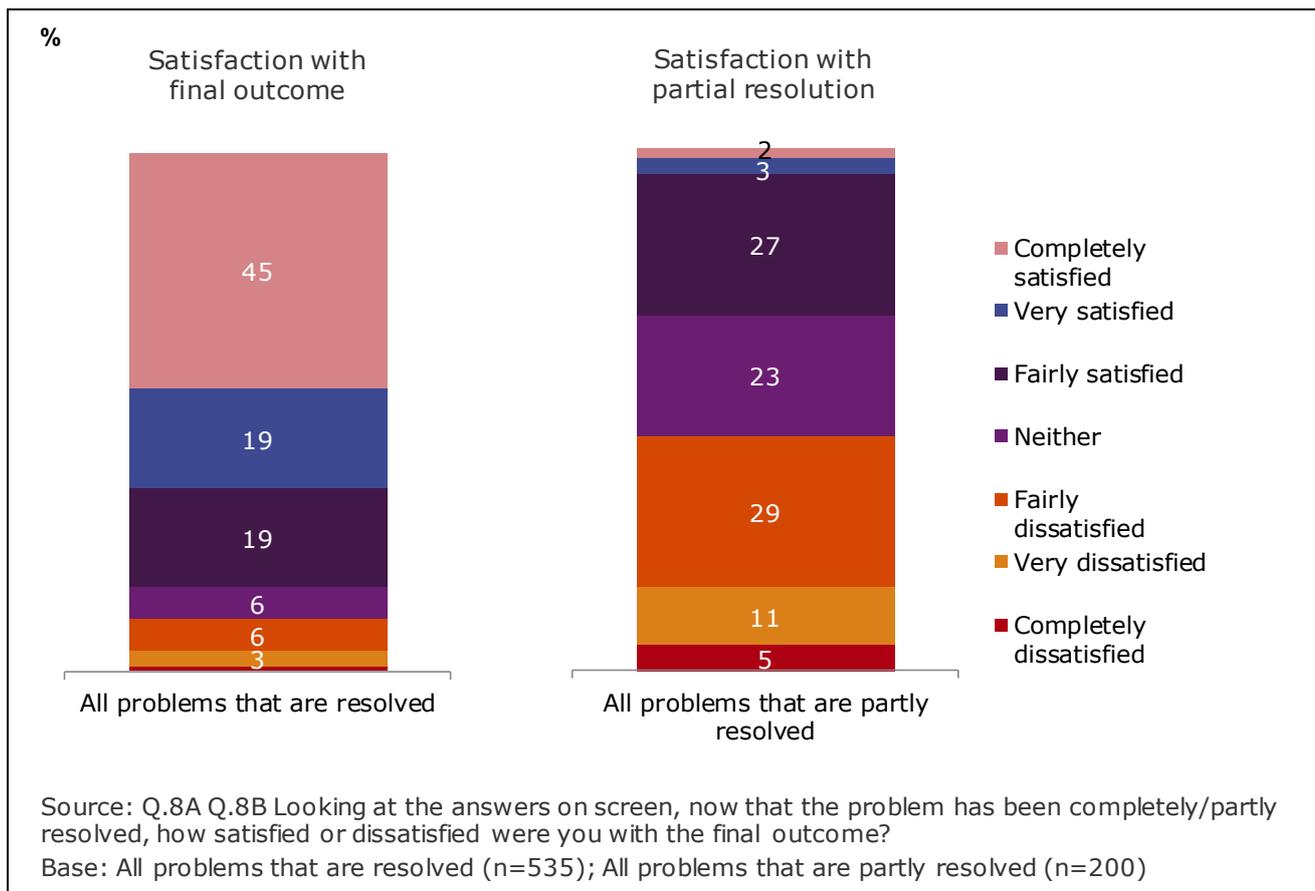
Problems with personal goods and services are more likely to be completely resolved (61%) and professional and financial services least likely (40%). In the majority of cases, those with no financial detriment and with detriment up to £20 are most likely to be completely resolved (54% respectively). Cases with detriment of more than £20 are least likely to be completely resolved (36%) and more likely not to be resolved at all (42%).

Just over half of problems experienced by those with high and medium-high empowerment are completely resolved (56% respectively, compared to 25% with low empowerment) whereas 55% of the problems experienced by those with low empowerment are not at all resolved.

7.3. Resolution satisfaction

For consumers where the problem has been completely resolved, eight in ten are satisfied with the final outcome of the problem (83%), with a little under half completely satisfied (45%). Around one in ten consumers are dissatisfied with the outcome (10%). The level of satisfaction is on par with 2012.

Figure 7.4 Satisfaction with outcome of resolved and partially resolved problems



Cases in the financial and professional services sector receive the lowest satisfaction rating across all sectors (69%), with 31% completely satisfied and 24% dissatisfied. Those with problems with personal goods and services, 60% are completely satisfied with the outcome. Satisfaction is also higher amongst those problems that incur no or low levels of detriment; 50% being completely satisfied compared with 30% of those incurring £20 or more of detriment, who are also more likely to be dissatisfied (19%) with the outcome. Speed of resolving the problem is also a factor with those problems started in last month more likely to be completely satisfied (57%) compared with those that started over 6 months ago (41%)

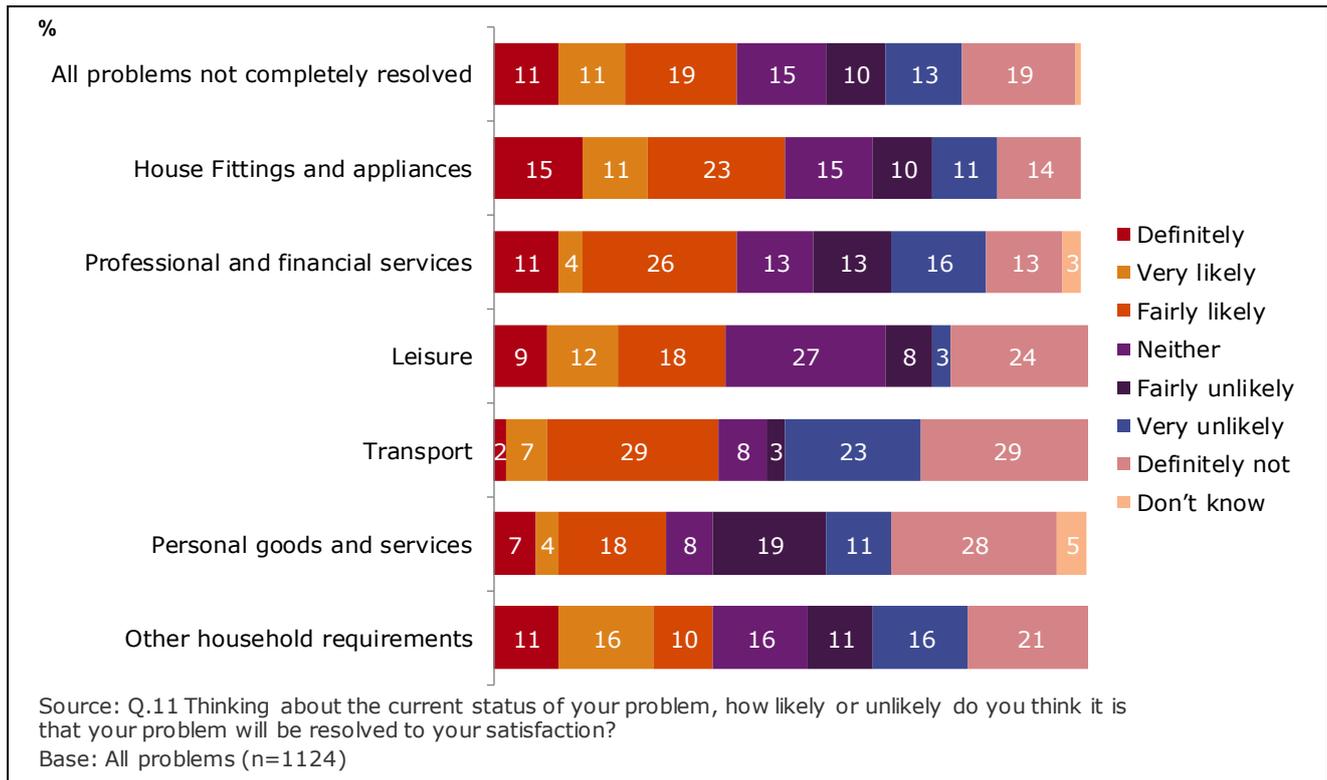
Amongst those problems that have only achieved partial resolution thus far, dissatisfaction is higher, with more than four in ten cases at this stage expressing dissatisfaction with the outcome (45%) and only a third (32%) being satisfied with outcome so far. Satisfaction is lowest amongst problems relating to professional and financial services (21% satisfied and 75% dissatisfied) and transport (17% satisfied and 70% dissatisfied). It is also lower amongst those with higher levels of financial detriment of £20 or more (29% satisfied and 55% dissatisfied).

In cases where the problem is not yet fully resolved or where consumers are dissatisfied with the outcome they are more likely to experience a great deal of emotional impact of any kind. In the case of 45% of problems which are partially resolved and 55% that are not resolved consumer have suffered a great deal of emotional impact of some kind (compared with 37% where the problem has been resolved). Similarly 66% of those problems where consumers are dissatisfied with the outcome of a resolved problem and 58% of those dissatisfied with a partially resolved problem have suffered a great deal of emotional impact compared with 32% and 35% respectively who are satisfied with the outcome. Sample sizes are too small to detect any significant differences by sub-groups.

7.4. Resolution expectations and pursuit

Amongst problems not yet fully resolved (partially resolved and not resolved at all), a satisfactory outcome is expected in fewer than half of cases (41%) with a similar proportion feeling they will be dissatisfied with the final outcome (42%). Expectations are lowest for problems with personal goods and services and transport with 58% and 54% respectively feeling they are likely to be dissatisfied with outcome.

Figure 7.5 Likelihood of satisfactory resolution



Over half (57%) of unresolved problems will be pursued. Four in ten unresolved problems will be pursued until completely resolved (39%) with a further 18% being pursued to see what will happen. Two thirds (67%) of those problems which consumers expect will be resolved to their satisfaction will pursue the claim until it is resolved

Almost a quarter of problems have already been pursued but will not be taken any further (23%), whilst in 18% cases these problems have not been pursued and consumers have no intention of doing so. There are no differences by empowerment group.

7.5. Action taken by companies

Companies and firms take varied action to resolve the problems with goods and services that consumers experience.

Companies and firms have already taken some action to resolve three quarters (74%) of problems. This is a significant increase in the proportion of problems where companies taking action (to date) to resolve the problem compared with the previous study in 2012 (61%).

The main actions taken (to date) have been to acknowledge the problem (27%), to solve (17%) or investigate the problem (14%) and to apologise (25%). In just over a third of cases consumers are being given/offered a replacement or alternative (18%) or full or partial refund (18%). The nature of the types of actions taken is similar to the 2012 survey.

For a quarter (25%) of problems companies have not done anything, but it needs to be recognised that not all consumers who have cause to complain about a problem actually do. As discussed in section 7.1, in 13 per cent of problems, consumers do not take any action to resolve the problem.

7.6. Consumer experiences of dealing with the companies/firms in trying to achieve resolution

Looking at satisfaction with the company which provided the goods or services, consumers were asked to rate the different aspects of their experience. 'Being easy to contact' has the highest positive rating in just over half of cases (58%), which is similar to the 2012 study. This is followed by 'acknowledging the problem' (49% of cases). As in the 2012 study, 'providing you with the information needed' (39%) and the 'degree of sympathy received' (37%) have the lowest positive rating.

Figure 7.6 Consumer experience of dealing with companies/firms to resolve problem



Those with problems with professional and financial services rate suppliers less well in all but one area, in particular being 'treated fairly' and 'degree of sympathy' received where in both case 24% are extremely

negative. Suppliers of personal goods and services perform relatively well on 'speed in responding' (58% positive), 'succeeding in putting things right' (56%) and 'providing the information you need' (50%).

Consumers in the high empowerment group are significantly more likely more likely to be positive than those in the low empowerment group of all measures of the experience dealing with the company to resolve the problem.

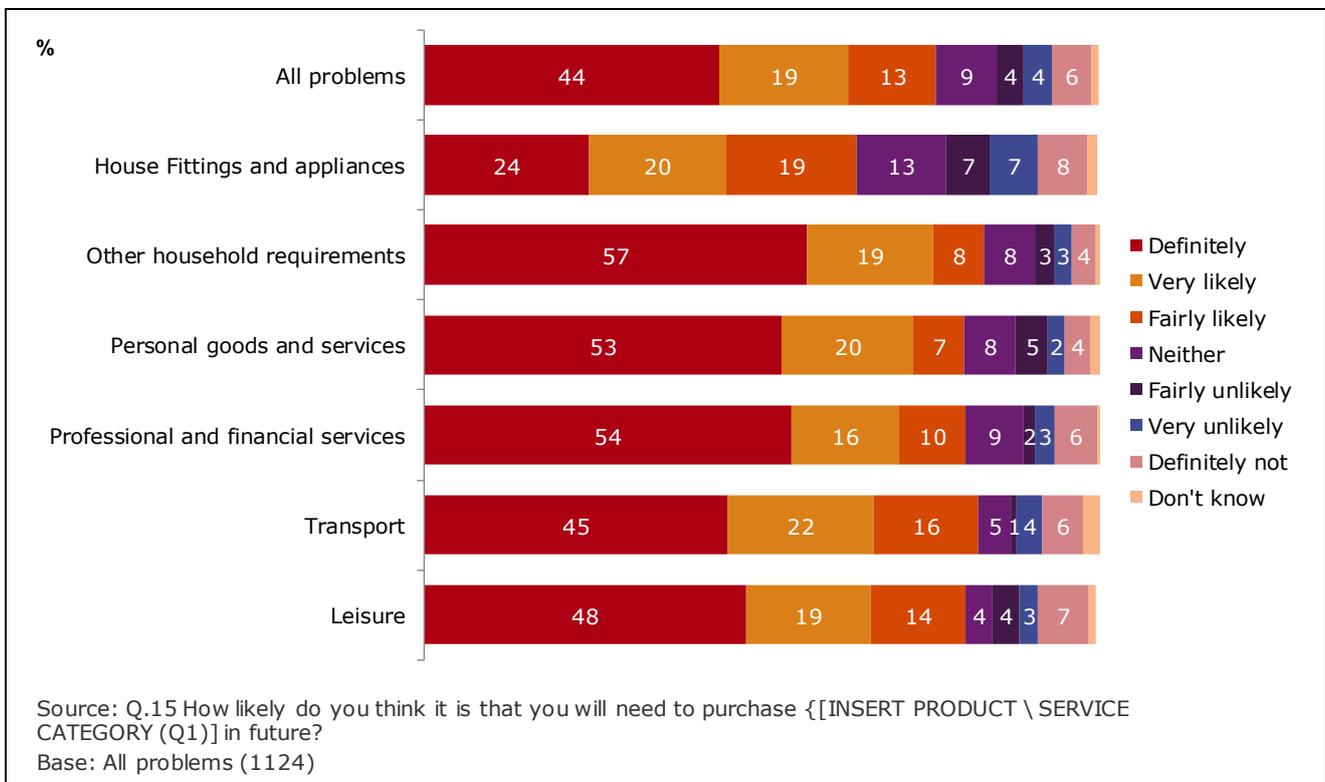
7.7. Future Behaviour

The experience has an impact on what consumers are likely to do in the future with these goods or services.

In most cases (76% of problems), consumers are likely to buy the goods or service they encounter a problem with again in future, with 44% saying they definitely will buy the goods or service again. This reflects that most goods and services are not completely discretionary purchases (e.g. you need to buy domestic fuel, some footwear, service your car etc.). Under a fifth (14%) are unlikely to buy the goods or service again, with only 6% saying they definitely will not buy it again. The pattern is similar to 2012.

The goods and services that consumers are most likely to buy again are other household requirements (83%) with over half (57%) saying they will definitely buy them again and professional and financial services (80% and 54% respectively). They are least likely to buy household fittings and appliances again where they have had problems (64%).

Figure 7.7 Likelihood of purchasing goods or service again in future

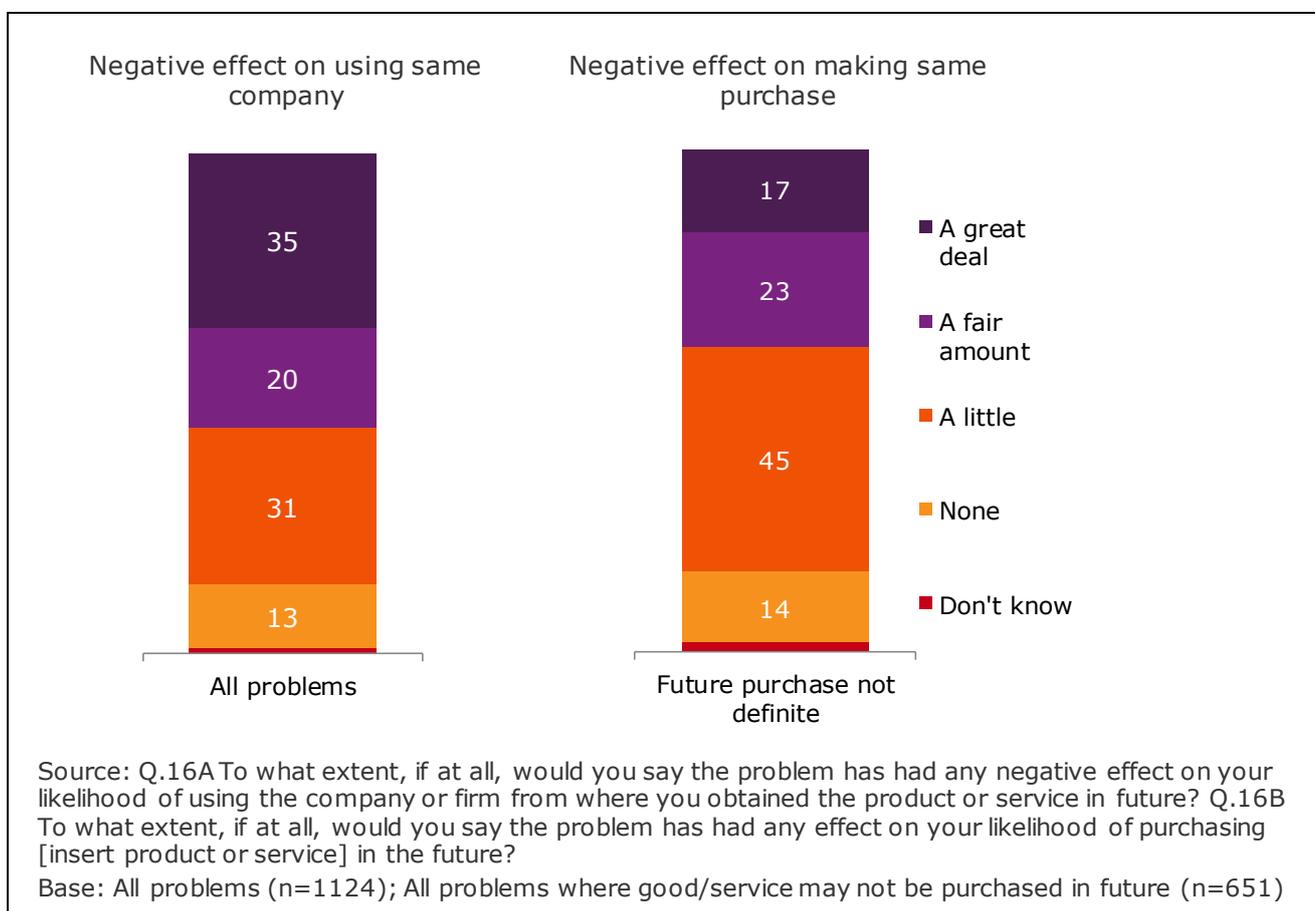


The experience has a negative impact on future behaviour with over half (56%) of cases, reporting that this impacts a great deal/fair amount on the likelihood of using the same company or firm again in the future, whilst in only 13% of cases, this does not impact at all. Negative impact is highest in the following cases:

- Where problem was with professional and financial services (72%, a fair/great deal, 54% a great deal)
- Where problem is not yet fully resolved (67%, 47%)
- For problems where the consumer is dissatisfied with resolved outcome (83%, 64%)
- Where the problem has caused higher levels of financial detriment of £20 p or more (73%, 55%)

However, the more empowered are less negatively affected (42% a fair/great deal compared with 73% amongst the lowest empowerment group) and there is no difference by whether consumer have switched or considered switching services in last 12 months.

Figure 7.8 Impact of problem on likelihood of using same supplier or buying good/service in future



Those who say they are definitely not going to buy the goods or service again, were asked to what extent the problem has had any effect on their likelihood of purchasing the good or service again in future. Two fifths (40%) say this will have a great or fair amount of impact on their likelihood of purchasing the product or service in the future. Only in 14% of cases will it have no impact

Negative impact is highest in the following cases:

- Where problem was with professional and financial services (51%, a fair/great deal, 30% a great deal)
- Where problem is not yet resolved (51%, 26%)
- For problems where the consumer is dissatisfied with resolved outcome (47%, 27%)
- Where the problem has caused higher levels of financial detriment of £20 or more (51%, 29%)

Consumers in the low empowerment group are more likely to have had a negative impact, with 27% saying the problem has had a great deal compared to 11% in the high empowerment group. However, there is no significant difference by whether consumer has switched or considered switching services in last 12 months.

For all problems where the good or service is likely to be purchased again, consumers claim to avoid similar problems in future they are most likely to use a different provider (29%) or shop around more (20%). A further 10% will check reviews/feedback and 8% will ask for recommendations. A fifth (22%) claim they will do nothing different. These are less likely to be those who had a problems with a professional or financial service (13%), incur higher financial detriment of £20 or more (10%), are not satisfied with the resolved outcome (12%) or where the query is not resolved at all (16%). Consumers in the low empowerment group are more likely to use a different supplier (40%).

These findings suggest that unless consumer incur significant financial detriment or have a poor experience in getting their problem resolved to their satisfaction they are much likely to change their behaviour in future.

Appendix 1 Problem categories

(A) House Fittings and appliances

- 1: (AA) House Construction
- 2: (AB) Home maintenance, improvement or installation services
- 3: (AC) Glazing Products (e.g. windows and patio doors)
- 4: (AD) Energy efficiency / insulation measures
- 5: (AE) Furniture
- 6: (AF) Floor Coverings
- 7: (AG) Textiles and Soft Furnishings (e.g. curtains and cushions)
- 8: (AH) Audio-visual (e.g. televisions and DVD players)
- 9: (AI) Personal Computers, accessories, software and services
- 10 (AJ) Large Domestic Appliances (e.g. washing machine or fridge freezer)
- 11: (AK) Small Domestic Appliances (e.g. iron or kettle)
- 12: (AL) Repairs to Domestic Appliances

(B) Other household requirements

- 13: (BA) Food and Drink
- 14: (BB) Domestic Fuel (e.g. gas and electricity services)
- 15: (BC) Water
- 16: (BD) Postal Services – Royal Mail
- 17: (BE) Postal Services – other parcel delivery companies (e.g. DHL, UPS, FEDEX , local couriers etc)
- 18: (BF) Laundry and Dry Cleaning
- 19: (BG) DIY Materials
- 20: (BH) Telecommunications (e.g. mobile or fixed line telephone)
- 21: (BI) Hardware, cleaning and other household goods and services
- 22: (BJ) Gardening products and services

(C) Personal goods and services

23: (CA) Clothing and clothing fabric

24: (CB) Disability Aids

25: (CD) Medical goods and services

26: (CD) Toiletries and perfumes

27: (CE) Beauty treatments and hairdressing

28: (CF) Jewellery, silverware, clocks and watches

29: (CG) Tobacco and related products

30: (CH) Footwear

31: (CI) Nursery Goods and Services

32: (CJ) Home-working schemes and gifting schemes

33: (CK) Other Personal Goods and Services – PEN WRITE IN

(D) Professional and financial services

34: (DA) Personal banking

35: (DB) Hire and Unsecured Credit

36: (DC) Ancillary Credit Business

37: (DD) Insurance

38: (DE) Mortgages and secured credit

39: (DF) Pensions

40: (DG) Estate Agents and House Purchase services

41: (DH) Letting and Property management services

42: (DI) Professional Services (e.g. lawyers, accountants)

(E) Transport

43: (EA) New Cars

44: (EB) Second Hand Cars

45: (EC) Car repairs and servicing

46: (ED) Other Motor vehicle purchases

47: (EE) Other Motor vehicle repairs and servicing

- 48: (EF) Spares and Accessories
- 49: (EG) Bicycles and repairs
- 50: (EH) Petrol and Oil
- 51: (EI) Transport
- 52: (EJ) Freight
- 53: (EK) Boats, Caravans, trailers
- 54: (EL) Airlines / Airports
- 55: (EM) Other Motoring Costs
- (F) Leisure
- 56: (FA) Holiday caravan renting, caravan\camping sites and boats
- 57: (FB) Time Share
- 58: (FC) Holidays
- 59: (FD) Entertainment, catering and accommodation
- 60: (FE) Internet facilities
- 61: (FF) Books, newspapers and magazines
- 62: (FG) Sports and hobby equipment and services
- 63: (FH) Toys, Games
- 64: (FI) Music, film, TV, video games or computer software purchased on hard copy media (e.g. CDs, DVDs, Blu-ray, audio cassettes, video tapes, vinyl records etc)
- 65: (FJ) Music, film, TV, video games, computer software (non-operating system) or other content purchased (downloaded or streamed) from the internet
- 66: (FK) Free content downloaded or streamed from the internet
- 67: (FL) Pets and veterinarian products\services
- 68: (FM) Betting, competitions, prize draws and business guides
- 69: (FN) Photography
- 70: (FO) Other recreational goods and services including age restricted items

Appendix 2 Questionnaire

SECTION 1

(BASE: ALL ADULTS 16+ IN UK)

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 and to talk more generally about buying goods and services. This is on behalf of the Department for Business Innovation and Skills, the Government department responsible for consumer protection and that ensuring that British consumers are receiving a fair deal.

SHOW CARD A

Q.1 Firstly, please look at this card (SHOW CARD 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

1: (AA) House Construction

2: (AB) Home maintenance, improvement or installation services

3: (AC) Glazing Products (e.g. windows and patio doors)

4: (AD) Energy efficiency / insulation measures

5: (AE) Furniture

6: (AF) Floor Coverings

7: (AG) Textiles and Soft Furnishings (e.g. curtains and cushions)

8: (AH) Audio-visual (e.g. televisions and DVD players)

9: (AI) Personal Computers, accessories, software and services

10 (AJ) Large Domestic Appliances (e.g. washing machine or fridge freezer)

11: (AK) Small Domestic Appliances (e.g. iron or kettle)

- 12: (AL) Repairs to Domestic Appliances
- (B) Other household requirements
- 13: (BA) Food and Drink
- 14: (BB) Domestic Fuel (e.g. gas and electricity services)
- 15: (BC) Water
- 16: (BD) Postal Services – Royal Mail
- 17: (BE) Postal Services – other parcel delivery companies (e.g. DHL, UPS, FEDEX , local couriers etc)
- 18: (BF) Laundry and Dry Cleaning
- 19: (BG) DIY Materials
- 20: (BH) Telecommunications (e.g. mobile or fixed line telephone)
- 21: (BI) Hardware, cleaning and other household goods and services
- 22: (BJ) Gardening products and services
- (C) Personal goods and services
- 23: (CA) Clothing and clothing fabric
- 24: (CB) Disability Aids
- 25: (CD) Medical goods and services
- 26: (CD) Toiletries and perfumes
- 27: (CE) Beauty treatments and hairdressing
- 28: (CF) Jewellery, silverware, clocks and watches
- 29: (CG) Tobacco and related products
- 30: (CH) Footwear
- 31: (CI) Nursery Goods and Services
- 32: (CJ) Home-working schemes and gifting schemes
- 33: (CK) Other Personal Goods and Services – PEN WRITE IN
- (D) Professional and financial services
- 34: (DA) Personal banking
- 35: (DB) Hire and Unsecured Credit
- 36: (DC) Ancillary Credit Business
- 37: (DD) Insurance

- 38: (DE) Mortgages and secured credit
- 39: (DF) Pensions
- 40: (DG) Estate Agents and House Purchase services
- 41: (DH) Letting and Property management services
- 42: (DI) Professional Services (e.g. lawyers, accountants)
- (E) Transport
- 43: (EA) New Cars
- 44: (EB) Second Hand Cars
- 45: (EC) Car repairs and servicing
- 46: (ED) Other Motor vehicle purchases
- 47: (EE) Other Motor vehicle repairs and servicing
- 48: (EF) Spares and Accessories
- 49: (EG) Bicycles and repairs
- 50: (EH) Petrol and Oil
- 51: (EI) Transport
- 52: (EJ) Freight
- 53: (EK) Boats, Caravans, trailers
- 54: (EL) Airlines / Airports
- 55: (EM) Other Motoring Costs – PEN WRITE IN
- (F) Leisure
- 56: (FA) Holiday caravan renting, caravan\camping sites and boats
- 57: (FB) Time Share
- 58: (FC) Holidays
- 59: (FD) Entertainment, catering and accommodation
- 60: (FE) Internet facilities
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- 63: (FH) Toys, Games
- 64: (FI) Music, film, TV, video games or computer software purchased on hard copy media (e.g. CDs, DVDs, Blu-ray, audio cassettes, video tapes, vinyl records etc)

65: (FJ) Music, film, TV, video games, computer software (non-operating system) or other content purchased (downloaded or streamed) from the internet

66: (FK) Free content downloaded or streamed from the internet

67: (FL) Pets and veterinarian products\services

68: (FM) Betting, competitions, prize draws and business guides

69: (FN) Photography

70: (FO) Other recreational goods and services including age restricted items – PEN WRITE IN

N - BUTTON

DK - BUTTON

R - BUTTON

(BASE: ALL ADULTS 16+ IN UK)

SHOW SCREEN – MULTI CHOICE

Q.3A To help remind you about any (other) problems you may have experienced with goods or services over the past year, on screen we have listed 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?

RANDOMISED

1: A. Utilities - gas, electricity, water

2: B. Internet\broadband

3: C. Telephone (fixed\landline or mobile)

4: D. Broadcast services like radio and TV (including satellite\digital\pay TV)

5: E. Post Offices

6: F. Banks, building societies, insurance companies, credit\loan companies, other financial services companies

7: G. People coming to your home - e.g. gardeners, window cleaners, plumbers, builders, other tradesmen

8: H. Housing and accommodation

9: I. Places you go such as restaurants, cinemas, theatres, sports centres or places of entertainment

10: J. Medical\health - pharmacists, dentists, opticians, etc

11: K. Training and education

12: L. Other professional services like funeral directors, legal advisors, estate agents, financial advisers –
PEN WRITE IN

13: M. When using public transport

N – BUTTON

DK – BUTTON

R – BUTTON

(BASE: ALL ADULTS 16+ IN UK)

SHOW SCREEN – MULTI CHOICE

Q. 3B And here is a some other ways in which you can purchase 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?

RANDOMISED

1: A. At Supermarkets, retailers, dealers, high street, or at local shops

2: B. Using the internet

3: C. Using mail order, delivery and postal services

4: D. Ordering by telephone

5: E. At the doorstep or from a salesman visiting the home

6: F. At an open market or auction

7: G. From a car boot sale

8: H. TV shopping channel

N – BUTTON

DK – BUTTON

R – BUTTON

IF Q3A\1-13 OR Q3B\1-8 GOTO Q1ii (AND ASK WHICH [OTHER] GOODS/SERVICES HAD PROBLEM WITH)
ELSE GOTO ROUTING BEFORE Q2

(BASE: ALL ADULTS 16+ IN UK WHO HAVE HAD CAUSE TO COMPLAIN IN THE LAST 12 MONTHS)

SCRIPTERS: Q2 & Q2A ASKED FOR EACH MENTIONED AT Q1 (Q2-Q2A) AND Q1ii (Q2ii-Q2Aii)

SHOW CARD B – MULTI CHOICE

Q.2 Now looking at this card, (SHOWCARD B) please identify the types of problem you have experienced with [INSERT 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.

RANDOMISE

- 1: A. Faulty or damaged goods
- 2: B. Goods lacked durability, wore out very quickly
- 3: C. Wrong or unsuitable product provided
- 4: D. Service not provided
- 5: E. Service not up to standard
- 6: F. Goods or service delivered late or not at all
- 7: G. Failure or delay in promised repair
- 8: H. Supplier refusing to help, being difficult or obstructive
- 9: I. Offers of inadequate redress, including credit notes instead of refunds
- 10: J. Problems returning unwanted goods, getting refund or with cancellation rights
- 11: K. Problems with guarantee/warranty
- 12: L. Problems with product or service safety
- 13: M. Inadequate or confusing operating/assembly instructions
- 14: N. Problems with charges
- 15: O. Contracts, terms and Conditions unfair or unclear
- 16: P. Problems Pursuing a Claim
- 17: Q. Problems with the way something was sold eg put under pressure to buy, misleading advice
- 18: R. Receiving misleading claims and incorrect information
- 19: S. Failure to give notice or supply adequate notification of cancellation
- 20: T. Problems with the price of goods and services eg overcharged or not told about extra costs
- 21: U. The price was too high for the quality
- 22: V. Other complaint - PEN WRITE IN
- 23: W. Other problem - PEN WRITE IN

IF Q2\MULTI CHOICE GOTO Q2A ELSE GOTO Q4

SHOW CARD B & SHOW SCREEN

Q.2A What was the main problem?

MASK ANSWERS GIVEN AT Q2

DK - BUTTON

(BASE: ALL ADULTS 16+ IN UK)

SHOW CARD B

Q.4 Has looking at this list (SHOWCARD B) reminded you of any other issues or problems experienced in the last 12 months?

1: Yes

2: No

DK - BUTTON

IF Q4\1 GOTO Q1iii - Q2Aiii ELSE GOTO Q5

SCRIPTERS: Q1ii, Q2ii, Q2Aii, Q1iii, Q2iii, Q2Aiii ARE A DIRECT REPEAT OF Q1, Q2, Q2A.

(BASE: ALL ADULTS 16+ IN UK WHO HAVE HAD CAUSE TO COMPLAIN IN THE LAST 12 MONTHS AT Q1, Q1ii, Q1iii)

IF 3 OR MORE PRODUCTS MENTIONED AT Q1, Q1ii, Q1iii

Q.5 The screen shows all the goods and services you have had problems with over the last 12 months. Which are the TWO that were the most serious, by this I mean caused you most trouble or cost?

MASK LIST FROM Q1, Q1ii, Q1iii

IF CAN'T SAY WHICH 2 MOST SERIOUS - SELECT TWO AT RANDOM

IF 1 OR 2 PROBLEMS MENTIONED AT Q1, Q1ii, Q1iii AUTOMATICALLY LOAD RESPONSES INTO Q5

SECTION 2-IMPACT AND WHETHER SOUGHT REDRESS

SCRIPTERS THE NEXT QUESTIONS Q1- Q19 ARE TO BE ASKED OF A MAXIMUM OF 2 PROBLEMS MENTIONED AT Q5.

I would now like to talk to you in a little more detail about

[IF ONE PROBLEM: (INSERT TYPE OF PROBLEM (Q2) AND PRODUCT\SERVICE CATEGORY (Q1))

IF 2+ PROBLEMS: the two problems you had with INSERT TYPE OF PROBLEM (Q2) AND PRODUCT\SERVICE CATEGORY (Q1)) Thinking first about (INSERT FIRST TYPE OF PROBLEM (Q2) AND PRODUCT\SERVICE CATEGORY (Q1))

SECOND LOOP –Now thinking about the other problem you had with (INSERT SECOND TYPE OF PROBLEM (Q2) AND PRODUCT\SERVICE CATEGORY (Q1))

(BASE: ALL ADULTS 16+ IN UK WHO HAVE HAD CAUSE TO COMPLAIN IN THE LAST 12 MONTHS)

SHOW SCREEN

S2 Q.1 As far as you can remember, when did the problem begin with

[INSERT PROBLEM AT Q1]?

If you are unable to remember exactly, please use your best estimate. Please just read out the letter that applies

- 1: A. Less than a week ago
- 2: B. At least a week ago but less than a month
- 3: C. Between one month and three months ago
- 4: D. Between three months and six months ago
- 5: E. Between six months and a year ago
- 6: F. Not sure but certainly within the last year
- 7: G. Over a year ago

DK - BUTTON

R - BUTTON

(BASE: ALL ADULTS 16+ IN UK WHO HAVE HAD CAUSE TO COMPLAIN IN THE LAST 12 MONTHS)

SHOW SCREEN – MULTI CHOICE

S2 - Q.2A In which of the ways listed on screen did you take \ have you taken action to solve the problem? Please just read out the letter or letters that apply.

RANDOMISE WITHIN SECTIONS BUT ALSO ROTATE SECTIONS

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

1: A. For a refund

2: B. For a replacement

3: C. For compensation

4: D. Attempted to use guarantees, warranties or insurance policies

5: E. Withheld payment for the product or service

Made a complaint...

6: F. To the company\firm where you obtained the product or service

7: G. To someone other than the company\firm where you obtained the product or service

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

DK - BUTTON

N - BUTTON

R - BUTTON

IF S2-Q.2A=NONE

DO NOT SHOW SCREEN

S2- Q.2C Why did you not take any action to solve the problem?

MULTICODE

1: You didn't feel problem was serious enough

2: You didn't know how or to whom to complain to

3: The amount of money involved was too small

4: You believed you would not get a satisfactory result

5: You felt it would take too long

6: You were not sure about your rights as a consumer

7: You had already received a satisfactory result from the retailer/provider of the good or service

8: It would take too much time and effort

Other - PEN WRITE IN

DK - BUTTON

IF S2 - Q2A\7 GOTO S2 - Q3A ELSE GOTO S2 - Q.3B

(BASE: ALL ADULTS 16+ IN UK WHO HAVE MADE A COMPLAINT TO SOMEONE\SOMEWHERE ELSE S2 - Q2A\7)

SHOW SCREEN - MULTI CHOICE

S2 - Q.3A 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

- 1: A. Advertising Standards Authority
- 2: B. Citizens Advice\ CAB (Citizens Advice Bureau)
- 3: C. Consumer Focus\ Consumer Futures \ Extra Help Unit
- 4: D. Financial Conduct Authority (FCA) or other financial industry body
- 5: E. Local council\ councillor
- 6: F. Member of Parliament (MP)
- 7: G. Ofcom
- 8: H. Office of Fair Trading (OFT)
- 9: I. Ofgem
- 10: J. Ofwat
- 11: K. Ombudsman
- 12: L. Energywatch
- 13: M. Postwatch
- 14: N. National Consumer Council
- 15: O. Police
- 16: P. Solicitor
- 17: Q. Trading Standards Services
- 18: R Which?
- 19: S. Other specific advisory, mediating or regulatory body - PEN WRITE IN

20: T. Anywhere else – PEN WRITE IN

DK – BUTTON

N – BUTTON

R - BUTTON

(BASE: ALL ADULTS 16+ IN UK WHO HAVE HAD CAUSE TO COMPLAIN IN THE LAST 12 MONTHS)

SHOW SCREEN – MULTI CHOICE

S2 - Q.3B Did you contact\have you contacted any other organisations or firms to obtain information, help or advice regarding how to resolve your problem? Please read out the letter or letters that apply

ANSWER LIST AS S2 – Q.3A

ASK ALL CONTACTED CONSUMER/ENFORCEMENT ORGANISATION AT Q.3A OR Q.3B

SHOW SCREEN – MULTI CHOICE

S2- Q.3E When did you contact this organisation/these organisations?

1: A. Before contacting the company that supplied the product or service

2: B. At the same time as contacting the company that supplied the product or service

3: C. After contacting the company that supplied the product or service but before they had offered a resolution

4: D. After the company that supplied the product or service had offered a resolution

DK – BUTTON

ASK ALL CONTACTED CONSUMER/ENFORCEMENT ORGANISATION AT Q.3A OR Q.3B

SHOW SCREEN

S2- Q.3C How satisfied were you with the help you received? SINGLE CODE

1: Very satisfied

2: Fairly satisfied

3: Not very satisfied

4: Not at all satisfied

DK – BUTTON

ASK ALL CONTACTED CONSUMER/ENFORCEMENT ORGANISATION AT Q.3A OR Q.3B

SHOW SCREEN

S2 – Q.3D How easy or difficult was it to find this/these organisations and the help you needed?

1: Very easy

2: Fairly easy

3: Fairly difficult

4: Very difficult

DK – BUTTON

(BASE: ALL ADULTS 16+ IN UK WHO HAVE HAD CAUSE TO COMPLAIN IN THE LAST 12 MONTHS)

S2 - Q.4 Thinking again about your problem that we are talking about today,

{INSERT TYPE OF PROBLEM (Q2) AND PRODUCT\SERVICE CATEGORY (Q1)},

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.

RANDOMISE STATEMENTS

SHOW SCREEN AND READ OUT STATEMENT

So how much have you spent on each of these....

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, eg. 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

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 - FIX SO ALWAYS ASKED LAST

5 DIGIT BOX

MINIMUM 0

MAXIMUM £10,000

IF S2 - Q.4\STATEMENT 9 GREATER THAN 0 GOTO S2 - Q4A ELSE GOTO S2 - Q.5

(BASE: ALL WHO HAVE SPENT MONEY ON SOMETHING ELSE NOT COVERED Q.4\STATEMENT 9 ANY AMOUNT GIVEN)

S2 - Q.4A Which other way did you spend (INSERT AMOUNT GIVEN AT S2 - Q.4\S9)?

OPEN ENDED

(BASE: ALL ADULTS 16+ IN UK WHO HAVE HAD CAUSE TO COMPLAIN IN THE LAST 12 MONTHS)

S2 - Q.5 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.

MINIMUM 0

MAXIMUM 9999

IF S2 - Q.5\1 OR MORE GOTO S2 - Q6 ELSE GOTO S2 - Q7

(BASE: ALL WHO HAVE SPENT PERSONAL TIME S2 - Q5\1 OR MORE GIVEN)

S2 - Q.6 You mentioned that you have spent {INSERT ANSWER FROM Q.5} 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.

SCRIPTERS – NUMBER MUST BE THE SAME OR BELOW THE NUMBER GIVEN AT S2 – Q.5

ALLOW ZERO

(BASE: ALL ADULTS 16+ IN UK WHO HAVE HAD CAUSE TO COMPLAIN IN THE LAST 12 MONTHS)

SHOW SCREEN

S2 - Q.7 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?

1: Completely resolved

2: Partly resolved

3: Not resolved at all

DK – BUTTON

R – BUTTON

IF S2 - Q7\1 GOTO S2 - Q8A ELSE GOTO ROUTING BEFORE S2 - Q8B

(BASE: ALL WHOSE COMPLAINT IS COMPLETELY RESOLVED S2 - Q7\1)

SHOW SCREEN

S2 - Q.8A Looking at the answers on screen, now that the problem has been completely resolved, how satisfied or dissatisfied were you with the final outcome?

1: Completely satisfied

2: Very satisfied

3: Fairly satisfied

4: Neither satisfied nor dissatisfied

5: Fairly dissatisfied

6: Very dissatisfied

7: Completely dissatisfied

DK – BUTTON

R – BUTTON

IF S2 - Q7\2 GOTO S2 - Q8B ELSE GOTO ROUTING BEFORE S2 - Q9

(BASE: ALL WHOSE COMPLAINT IS PARTLY RESOLVED S2 - Q7\2)

SHOW SCREEN

S2 - Q.8B Looking at the answers on screen, now that the problem has been partly resolved, how satisfied or dissatisfied are you with the outcome so far?

1: Completely satisfied

2: Very satisfied

3: Fairly satisfied

4: Neither satisfied nor dissatisfied

5: Fairly dissatisfied

6: Very dissatisfied

7: Completely dissatisfied

DK – BUTTON

R – BUTTON

IF S2 - Q7\2,3 GOTO S2 - Q9 ELSE GOTO S2 - Q12

(BASE: ALL WHOSE COMPLAINT IS PARTLY RESOLVED OR NOT RESOLVED S2 - Q7\2,3)

SHOW SCREEN

S2 - Q.9 Which of these, if any, best describes your current intentions with regards to the problem?
Please just read out the letter that applies.

1: A. I will pursue the problem and will not give up until it is completely resolved

2: B. I will pursue the problem and see what happens

3: C. I have pursued the problem but do not intend to do so any further

4: D. I have not pursued the problem and have no intention of doing so

N - BUTTON

DK – BUTTON

R – BUTTON

(BASE: ALL WHOSE COMPLAINT IS PARTLY RESOLVED OR NOT RESOLVED S2 - Q7\2,3)

S2 - Q.10 And why do you say that...{INSERT ANSWER FROM S2 - Q9}?

INTERVIEWER: WRITE IN RESPONDENT ANSWER VERBATIM

OPEN ENDED

(BASE: ALL WHOSE COMPLAINT IS PARTLY RESOLVED OR NOT RESOLVED S2 - Q7\2,3)

SHOW SCREEN

S2 - Q.11 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?

1: Definitely

2: Very likely

3: Fairly likely

4: Neither likely nor unlikely

5: Fairly unlikely

6: Very unlikely

7: Definitely not

DK – BUTTON

R – BUTTON

(BASE: ALL ADULTS 16+ IN UK WHO HAVE HAD CAUSE TO COMPLAIN IN THE LAST 12 MONTHS)

SHOW SCREEN – MULTI CHOICE

S2 - Q.12 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 list on screen carefully and read out the letters of all that apply.

RANDOMISE

1: A. Nothing

2: B. Acknowledged the problem

3: C. Investigated\is investigating the problem

4: D. Solved\is solving the problem

- 5: E. Offered\given a replacement product or service
 - 6: F. Offered\given an alternative product or service
 - 7: G. Offered\given a full refund
 - 8: H. Offered\given a partial refund
 - 9: I. Offered\given credit note or vouchers
 - 10: J. Given you a satisfactory explanation for the problem
 - 11: K. Given you an unsatisfactory explanation for the problem
 - 12: L. Apologised
 - 13: M. Referred\is referring the problem elsewhere (e.g. to another company or organisation)
 - 14: N. Any other actions taken by the company\firm – PEN WRITE IN
- DK – BUTTON
- R – BUTTON

(BASE: ALL ADULTS 16+ IN UK WHO HAVE HAD CAUSE TO COMPLAIN IN THE LAST 12 MONTHS)

S2 - Q.13 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...

SHOW SCREEN AND READ OUT STATEMENTS

RANDOMISE STATEMENTS

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

1: Extremely positive

2: Very positive

3: Fairly positive

4: Neither positive nor negative

5: Fairly negative

6: Very negative

7: Extremely negative

DK – BUTTON

R – BUTTON

(BASE: ALL ADULTS 16+ IN UK WHO HAVE HAD CAUSE TO COMPLAIN IN THE LAST 12 MONTHS)

SHOW SCREEN AND READ OUT STATEMENTS

S2 - Q.14 During the period of the problem taking place, to what extent have you felt...?

RANDOMISE STATEMENTS

Under stress

Angry

Worried

Frustrated

1: A great deal

2: A fair amount

3: A little

4: Not at all

DK – BUTTON

R – BUTTON

(BASE: ALL ADULTS 16+ IN UK WHO HAVE HAD CAUSE TO COMPLAIN IN THE LAST 12 MONTHS)

SHOW SCREEN

S2 - Q.15 How likely do you think it is that you will need to purchase {[INSERT PRODUCT \ SERVICE CATEGORY (Q1)]} in future?

1: Definitely

- 2: Very likely
- 3: Fairly likely
- 4: Neither likely nor unlikely
- 5: Fairly unlikely
- 6: Very unlikely
- 7: Definitely not
- DK - BUTTON
- R - BUTTON

(BASE: ALL ADULTS 16+ IN UK WHO HAVE HAD CAUSE TO COMPLAIN IN THE LAST 12 MONTHS)

SHOW SCREEN

S2 - Q.16A 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?

- 1: A great deal
- 2: A fair amount
- 3: A little

- N - BUTTON
- DK - BUTTON
- R - BUTTON

IF S2 - Q.15\NOT 1 GOTO S2 - Q16B ELSE GOTO ROUTING BEFORE S2 - Q17

(BASE: ALL WHO HAVEN'T SAID DEFINITELY NEED TO RE-PURCHASE S2 - Q15\NOT 1)

SHOW SCREEN

S2 - Q.16B 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 the future?

- 1: A great deal
- 2: A fair amount
- 3: A little

- N - BUTTON
- DK - BUTTON

R – BUTTON

IF S2 - Q15\1,2,3 GOTO Q.17 ELSE GOTO S2 – Q.18A

(BASE: ALL WHO DEFINITELY\VERY\FAIRLY LIKELY TO REPLACE S2 - Q15\1,2,3)

DO NOT SHOW SCREEN

S2 - Q.17 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? MULTICODE

1: Use a different provider / Avoid current one

2: Shop around

3: Spend more / invest in better quality

4: Understand/check terms and conditions

5: Change channel of purchase

6: Complain more

7: Check reviews/feedback

8: Ask for recommendations

OTHER – PEN WRITE IN

N - BUTTON

DK – BUTTON

(BASE: ALL ADULTS 16+ IN UK WHO HAVE HAD CAUSE TO COMPLAIN IN THE LAST 12 MONTHS)

SHOW SCREEN AND READ OUT STATEMENTS

S2 - Q.18A 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:

RANDOMISE STATEMENTS

Important essentials such as your mortgage, rent and bills

Other essentials such as food and clothing

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

Luxury items such as holidays

1: Yes

2: No

DK – BUTTON

R – BUTTON

S2 – Q.18B TO BE ASKED OF EACH STATEMENTS THAT GAVE S2 - Q18A\1 ELSE GOTO ROUTING AFTER S2 - Q19

(BASE: ALL WHOSE PROBLEM HAS HAD A FINANCIAL IMPACT S2 - Q18A\1 – ASKED FOR EACH)

SHOW SCREEN

S2 - Q.18B On screen are various levels of impact, please tell me how much impact the problem has had on your ability to pay for [INSERT STATEMENT FROM S2 – Q.18A]

1: Very large impact

2: Quite large impact

3: Quite small impact

4: Very small impact

DK – BUTTON

R – BUTTON

SCRIPTERS S2 – Q.19 TO BE ASKED IF S2 – Q.18A\ANY STATEMENT 1

(BASE: ALL WHOSE PROBLEM HAS HAD A FINANCIAL IMPACT S2 - Q18A\ANY STATEMENT 1)

SHOW SCREEN

S2 - Q.19 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.

1: A. 1 week

2: B. 2 weeks

3: C. 3-4 weeks

4: D. Over a month, up to three months

5: E. Over three months, up to six months

6: F. Over six months

7: G. Still not back to normal

8: H. Had no impact upon my spending patterns

DK – BUTTON

R – BUTTON

SCRIPTERS: IF TWO PROBLEMS TO BE ASKED ABOUT GOTO S2 – Q.20 ELSE GOTO SECTION 3

(BASE: ALL ADULTS 16+ IN UK WHO HAVE HAD CAUSE TO COMPLAIN IN THE LAST 12 MONTHS – PROBLEM 2)

S2 - Q.20 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 (Q2) AND PRODUCT\SERVICE CATEGORY (Q1)}

THEN ASK Q2 - Q19 ABOUT SECOND PROBLEM

SECTION 3 CONSUMER KNOWLEDGE AND CAPABILITY

ASK ALL AGED 16+ IN UK

SHOW SCREEN

Q.25 In general, when choosing and buying goods and services, how...?

RANDOMISE

Confident do you feel as a consumer

Knowledgeable do you feel as consumer

Well protected by consumer law do you feel

Confident do you feel that you will be dealt with fairly by suppliers

Well supported do you feel by consumer advice and enforcement agencies such as Citizens Advice and Trading Standards

CODE ONE ONLY

1: A. Very

2: B. Quite

3: C. Not very

4: D. Not at all

DK – BUTTON

R – BUTTON

SHOW SCREEN

Q.26 Can you please tell me how much you agree or disagree with the following statements.

RANDOMISE

When dealing with companies or making purchases, I would consider myself to be a confident and savvy customer

When buying a product or service I always buy on price –the cheapest available

When I buy a product or service, I carefully weigh up the features and price to make an informed choice

Whatever information I need about goods and services, the first place I look is the internet

When it comes to choosing products or services, I find there is not enough information out there that I can trust

Wherever possible, I only use trusted companies - ones I know well or have used before

In the past 12 months there has been an occasion when I have not bought a product or service because I was worried about what would happen if there were problems

Last time I bought a good or service over the internet, I ticked the box about terms and conditions of sale even though I had not read it or glanced at it at all

CODE ONE ONLY

1: A. Definitely agree

2: B. Tend to agree

3: C. Tend to disagree

4: D. Definitely disagree

5: E. Not applicable

DK – BUTTON

R – BUTTON

SHOW SCREEN

Q.27 Thinking about goods and services you have purchased in the last year, which of the following have you consulted in order to make a comparison? MULTICODE

1: A. General media (e.g radio TV newspaper)

2: B. Specialised consumer magazine

3: C. Internet - price comparison website

4: D. Internet – online shops (excluding price comparison websites)

5: E. Internet –other website

6: F. Visited different shops

7: G. Family and friends

OTHER – PEN WRITE IN

Never bought this type of good before (SPONTANEOUS)

NONE – Did not compare (SPONTANEOUS)

DK – BUTTON

SHOW SCREEN

Q.28 The same flat-screen TV is on sale in both shop A and B. Which one is cheaper?

1: A. The one sold in shop A

2: B. The one sold in shop B

3: C. They are both the same price

DK – BUTTON

R – BUTTON

SHOW SCREEN

Q.29 A person is charged interest at 6% per year on a £10,000 personal loan. How much is the interest for the first year?

1: A. £60

2: B. £300

3: C. £500

4: D. £600

SHOW SCREEN

Q.30 Suppose you bought a product by post, phone or over the internet, do you think you have the right to return the product you ordered 4 days after its delivered and get your money back without giving a reason?

1: Yes

2: No

DK – BUTTON

SHOW SCREEN

Q.31 Imagine that a new fridge you bought 18 months ago breaks down. You didn't buy any extended guarantee. Do you have the right to have it repaired or replaced for free?

1: Yes

2: No

DK – BUTTON

SHOW SCREEN

Q.33 If you saw an advertisement for an air flight, which rule do you think applies to advertising the price of an air ticket?

1: A. The advert must state the total amount paid, including taxes, fees and charges

2: B. The advert must state the flight price but this does not have to include taxes, fees and charges

3: C. There is no specific rule for what information has to be shown

DK – BUTTON

SHOW SCREEN

Q.34 Imagine you pay £4.99 to download an app. Your device meets all the stated compatibility requirements and is functioning correctly. However the app won't work and keeps crashing, so you decide you want a refund. Which rule do you think applies?

1: A. The trader is required to provide a full refund

2: B. The trader has the chance to fix the problem before providing a refund

3: C. The trader is not required to do anything

DK – BUTTON

SHOW SCREEN

Q.36 The screen shows a list of consumer organisations and public authorities who protect consumers and or provide information or help if things go wrong. Which organisations have you heard of? Please read out the letter or letters that apply MULTICODE

1: A. Advertising Standards Authority

2: B. Citizens Advice\ CAB (Citizens Advice Bureau)

3: C. Consumer Focus\ Consumer Futures \ Extra Help Unit

4: D. Financial Conduct Authority (FCA) or other financial industry body

5: E. Local council\ councillor

6: F. Member of Parliament (MP)

7: G. Ofcom

8: H. Office of Fair Trading (OFT)

9: I. Ofgem

10: J. Ofwat

11: K. Ombudsman

12: L. Energywatch

13: M. Postwatch

14: N. National Consumer Council

15: O. Police

16: P. Solicitor

17: Q. Trading Standards Services

18: R Which?

19: S. Other specific advisory, mediating or regulatory body – PEN WRITE IN

20: T. Anywhere else – PEN WRITE IN

DK – BUTTON

N – BUTTON

R - BUTTON

IF AWARE OF ANY ORGANISATIONS AT Q36 ASK Q37A/Q37B

Q.37A Have you sought help or advice from any of these organisations in the last 12 months?

1: Yes

2: No

DK – BUTTON

SHOW SCREEN

Q.37B If in the future you had a problem with a good or service which you could not resolve directly with the supplier, how likely would you be to contact one of these types of organisations?

1: A. Very likely

2: B. Fairly likely

3: C. Not very likely

4: D. Not likely at all

DK – BUTTON

Q.39 Over the last 12 months have you seriously considered switching supplier for any of the following services , by this I mean getting quotes or looking at what competitors were offering even if you didn't actually switch

Q.39A FOR ANY CONSIDERED SWITCHING And did you actually switch supplier?

Q.39 Considered switching Q.39A Switched

Energy

Home insurance

Car insurance

Current account

Credit card

Savings

Mortgage

Mobile phone

Home telephone

Broadband

Subscription TV services

SECTION 4 –ADDITIONAL DEMOGRAPHICS

(BASE: ALL ADULTS 16+ IN UK)

ASK ALL WITH ANY INTERNET ACCESS

Q.40 How often do you use the internet for your personal use?

CODE ONE ONLY

- 1: Never use
- 2: Less than once a month
- 3: Once a month
- 4: Several times a month
- 5: Several times a week
- 6: Every day
- 7: Several times a day

DK – BUTTON

R - BUTTON

IF USE INTERNET Q40/2-7

Q.41A Over the last [IF Q40/4-7week]/[IF Q40/2-3 month] , what have you used the internet for?

MULTICODE

- 1: A. Emails
- 2: B. Social media eg Facebook, twitter, LinkedIn
- 3: C. Buying goods or services online
- 4: D. Downloading music or films
- 5: E. Playing computer games
- 6: F. Online banking
- 7: G. Browsing News/Sports/Weather

8: H. Pre-purchase and browsing

9: I. Knowledge/Education (sourcing general information to learn)

10: J. Planning and Organising (searching for maps, addresses or reviews etc)

OTHER - PEN WRITE IN

ASK ALL

Q.41 Can I just check, is English your first language?

CODE ONE ONLY

1: Yes

2: No

R - BUTTON

ASK ALL

Q.42 And in day-to-day life, how good are you at reading in English when you need to? For example reading newspapers and magazines or instructions for medicine or recipes?

Would you say you are...

SHOW SCREEN AND CODE ONE ONLY.

1: A. Very good

2: B. Fairly good

3: C. Below average

4: D. Or poor?

[SPONTANEOUS] Cannot read English

DK - BUTTON

R - BUTTON

(BASE: ALL ADULTS 16+ IN UK)

SHOW SCREEN

Q.EDUC What is your highest level of education qualification?

- 1: Degree level qualification (or equivalent)
- 2: Higher educational qualification below degree level
- 3: A-Levels or Highers
- 4: ONC \ National Level BTEC
- 5: O Level or GCSE equivalent (Grade A-C)
- 6: GCSE grade D-G or CSE grade 2-5 or Standard Grade level 4-6
- 7: Other qualifications (inc. foreign quals below degree level)
- 8: No formal qualifications

DK – BUTTON

R – BUTTON

ASK ALL

Q.FOLLOWUP

This survey is being carried out by TNS-BMRB, an independent social research company. Occasionally we need to speak to people more than once. If we need to come back to you with any questions relating to this survey or to help with other connected research, would you be willing to help us?

IF NECESSARY, ADD: You can be assured that your name will never be passed to anyone outside our organisation without your permission.

- 1: Yes – willing to be re-contacted
- 2: No – not willing to be re-contacted

Appendix 3 Survey methodology omnibus

The TNS Omnibuses employ a random location methodology each week. A varying number of sampling points are issued depending upon the length of the questionnaire. The number of Great Britain sampling points issued can be 162, 152, 133 or 118 and corresponding sampling points in Northern Ireland are 5, 4, 4 or 3. The points used are sub samples of those determined in a sampling system developed by TNS for its internal use.

Sampling Frame

2001 Census small area statistics and the Postcode Address File (PAF) were used to define sample points. These are areas of similar population sizes formed by the combination of wards with the constraint that each point must be contained within a single Government Office Region [GOR]. In addition, geographic systems were employed to minimise the drive time required to cover each area as optimally as possible.

600 points were defined south of the Caledonian Canal in Great Britain [GB]. Another 25 were defined in a similar fashion in Northern Ireland. Finally 5 points were defined north of the Caledonian Canal. These latter differ in size from the other points and each other to meet the need to separately cover the different parts of the Highlands and Islands.

Stratification and Sample Point Selection

333 points were selected south of the Caledonian Canal for use by the Omnibuses after stratification by Government Office Region and Social Grade. They were also checked to ensure they are representative by an urban and rural classification. Those points are divided into two replicates. One set are used in one week. The other set are used in the next week. One of the points north of the Caledonian Canal is also used. 20 of the points in Northern Ireland are selected and divided into four replicates. Those replicates are used in rotation to give a wide spread across the Province over time. Similarly the statistical accuracy of the GB sampling is maximised by issuing sequential waves of fieldwork systematically across the sampling frame to provide maximum geographical dispersion. This ensures that the sample point selection remains representative for any specific fieldwork wave.

Selection of Clusters within Sampling Points

All the sample points in the sampling frame have been divided into two geographically distinct segments each containing, as far as possible, equal populations. The segments comprise aggregations of complete wards. For the Omnibuses alternate A and B halves are worked each wave of fieldwork. Each week different wards are selected in each required half and Census Output Areas selected within those wards. Then, groups of OAs containing a minimum of 130 addresses are sampled in those areas from the PAF (a maximum of 200 addresses are issued per assignment).

Interviewing

The addresses, selected as above, are issued to achieve an adult sample of 13, 14, 16 or 18 interviews in provincial areas and 12, 12, 14 or 15 in London depending upon the questionnaire length. Assignments are conducted over two days of fieldwork and are carried out weekday 2pm-8pm and at the weekend. Quotas are set by gender/housewife. Within female housewife presence of children and working status is set, within men working status is set to ensure a balanced sample of adults within effective contacted addresses. All interviewers must leave six doors between each successful interview.

Appendix 4 Defining the empowerment groups

As a first step, we conducted a preliminary analysis on the frequencies of the answers in the q25 statements and the combinations of agreement/ disagreement and concluded that a more advanced analysis incorporating statements from more questions would be more appropriate.

We ran a correlation analysis to identify which questions and statements had the strongest links to feeling confident as a consumer, and these were statements within q25 and q26. The remaining questions from section 3 were unrelated.

Therefore we wanted to create a measure that would combine the key statements, while attributing the correct weight to each one. In order to do that, a factor analysis is the most suited technique, however for a respondent to be assigned a score, they need to have answered all statements. So we imputed the missing scores using the following rules:

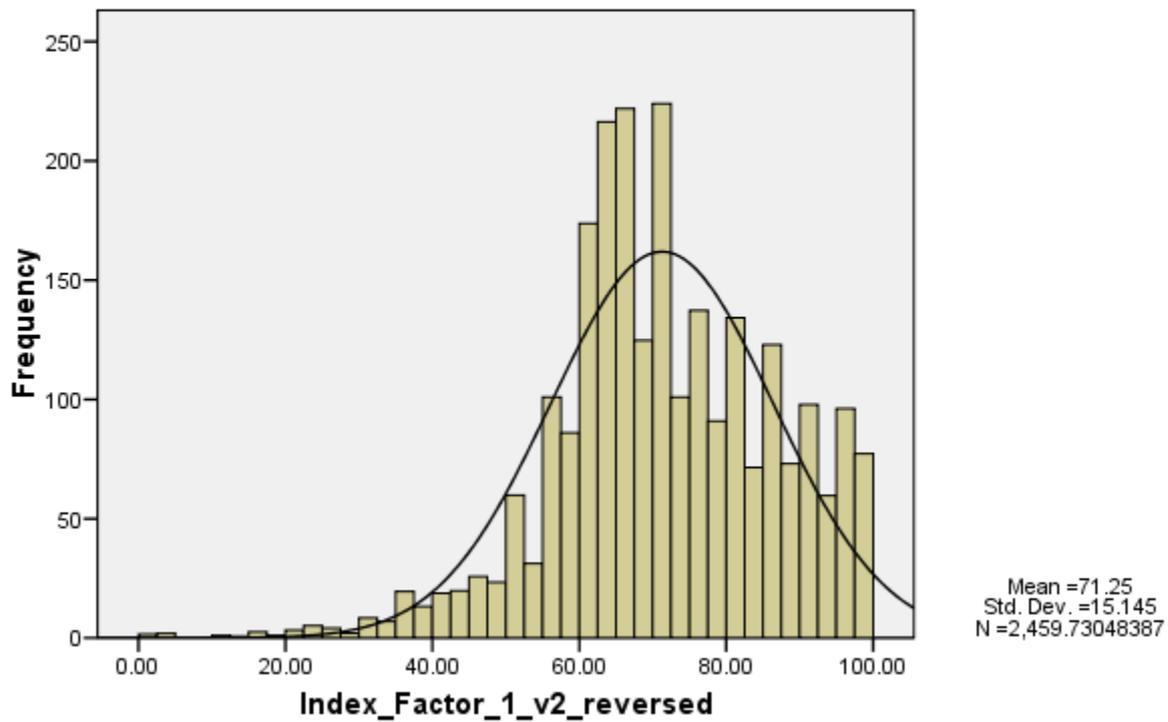
1. The missing values for q25 and q26_01 were replaced by the respondent level mean score (row mean) for these variables
2. Anyone with more than 2 missings for that group of statements was excluded
3. The Non-Applicable for the internet related question q26_04 were replaced by disagree (bottom box) for those who claimed to never use the internet
4. The remaining q26 statements were replaced with the column variable mean scores

The factor analysis identified a key factor that encapsulated the essence of being a confident consumer. Q26_02 and q26_08 were removed as the initial factor analysis showed they had almost no bearing on the factor. The weights it assigned to the statements for the creation of a unique respondent level score were the following:

Q.25_01 - Confident do you feel as a consumer - When choosing and buying goods and services, how... ?	.246
Q.25_02 - Knowledgeable do you feel as consumer - When choosing and buying goods and services, how... ?	.225
Q.25_03 - Well protected by consumer law do you feel - When choosing and buying goods and services, how... ?	.236
Q.25_04 - Confident do you feel that you will be dealt with fairly by suppliers - When choosing and buying goods and services, how... ?	.223
Q.25_05 - Well supported do you feel by consumer advice and enforcement agencies such as Citizens Advice and Trading Standards - When choosing and buying goods and services, how... ?	.196
Q.26_01 - When dealing with companies or making purchases, I would consider myself to be a confident and savvy customer - Agree or disagree...	.182
Q.26_03 - When I buy a product or service, I carefully weigh up the features and price to make an informed choice - Agree or disagree...	.099
Q.26_04 - Whatever information I need about goods and services, the first place I look is the internet - Agree or disagree...	.034
Q.26_05 - When it comes to choosing products or services, I find there is not enough information out there that I can trust - Agree or disagree...	-.066
Q.26_06 - Wherever possible, I only use trusted companies - ones I know well or have used before - Agree or disagree...	.047
Q.26_07 - In the past 12 months there has been an occasion when I have not bought a product or service because I was worried about what would happen if there were problems - Agree or disagree...	-.054

The factor scores were arithmetically adjusted to range between 0 and 100 to create an Index score. You can see below that the distribution was very highly skewed towards the highest values, which reflects the high levels of agreement with the statements.

Histogram



Cases weighted by Weight Section 3_4

The Index was then split into 4 groups/ segments. We wanted to achieve a balance between groups that were as differentiated from each other as possible and as homogenous within each segment. In order to achieve that, the lowest group had to be cut very low, at 7% (score 50). However, that did coincide with the fact that 7% is also the percentage of respondents who give a bottom two box score on q25_1. We also attempted a higher threshold by pushing the barrier up to 60, but that affected the homogeneity of the segment.

The rest of the segments were cut using the q25_1 answer groups as a guide as well as trying to achieve a relatively balanced split.

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Any enquiries regarding this publication should be sent to:

Department for Business, Innovation and Skills
1 Victoria Street
London SW1H 0ET
Tel: 020 7215 5000

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