national consumer agency
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putting consumers first

National Consumer Agency

Market Research Findings:

Consumer Empowerment and Complaints

September 2009

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1 Introduction and Methodology

Amárach Research was commissioned in 2009 to continue the programme of consumer research conducted by the National Consumer Agency with a view to monitoring, analysing and recording patterns of consumer behaviour and experiences in Ireland.

A key feature of the research is the comparison (where possible) of data collected in previous waves i.e. the benchmark survey (conducted in November /December 2007), Wave 1 survey (August 2008), Wave 2 (November /December 2008) with the current consumer landscape as surveyed in Wave 3 (May/June 2009). This comparison provides a value time-series.

The research, in common with previous surveys, was conducted by means of face-to-face interviewing with 1,000 people between the ages of 15-74. To ensure that the data is nationally representative; quotas were applied on the basis of age, gender, social class and region. Interviews were conducted over a four-week period in May/June 2009.

The programme of market research explores a range of consumer behaviour and experiences in Ireland, including:

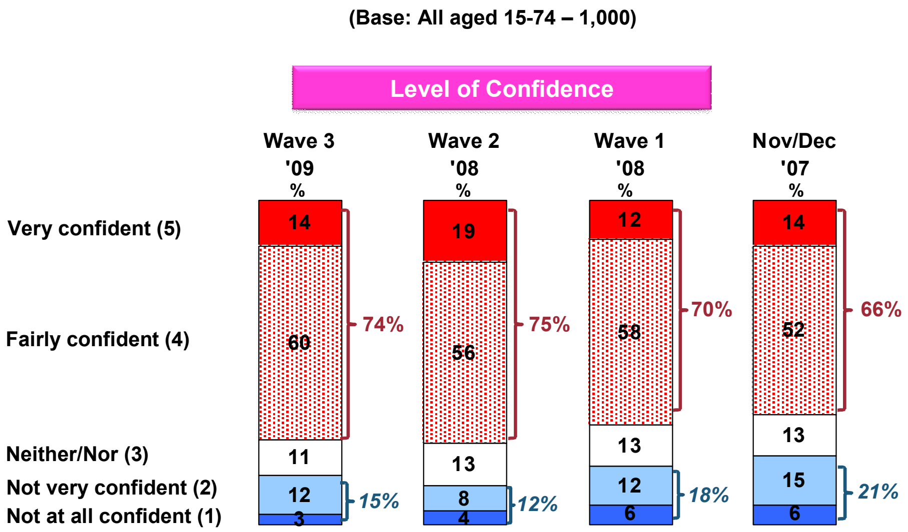
- The level of consumer empowerment, awareness of consumer rights and the propensity to complain,
- Consumer behaviour with regard to general shopping and pricing,
- Consumer behaviour specifically with regard to grocery shopping and
- Trends in switching goods / service providers.

The results of the market research are compiled across four volumes. This part details the results which relate to Irish consumers' sense of empowerment in terms of how confident, knowledgeable and protected they feel in relation to their rights as a consumer (section 2). Also included (section 3) are the results relating to Irish consumers' experiences relating to complaints.

2 Consumer Rights Awareness Levels

Figure 1 illustrates the level of confidence consumers have about their rights. The figure contains data for four comparable iterations of research.

Figure 1 Confidence About Rights as a Consumer

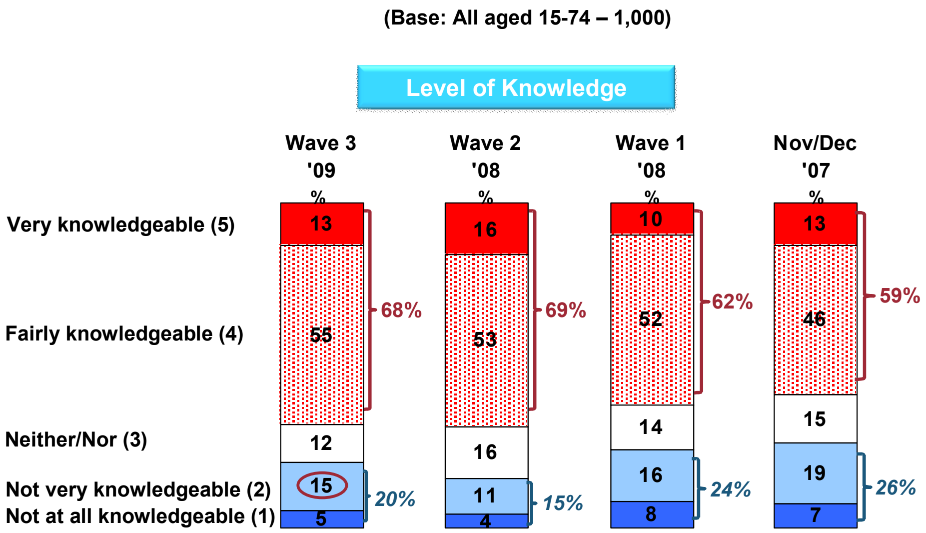


It can be seen that, as with the previous waves, 3 in 4 Irish consumers claim to be somewhat confident of their rights as a consumer. In addition, examining the detailed data (not shown) 25-44 year olds (80%), ABC1's (81%) and those responsible for the main grocery shop (77% versus 71% with those not responsible) tend to be more confident in their rights as a consumer. This is also consistent with previous waves.

There is a slight increase in those claiming to be either Not Very Confident and Not at all Confident of their rights.

Figure 2 illustrates how knowledgeable consumers are about their rights.

Figure 2 Knowledge About Consumer Rights

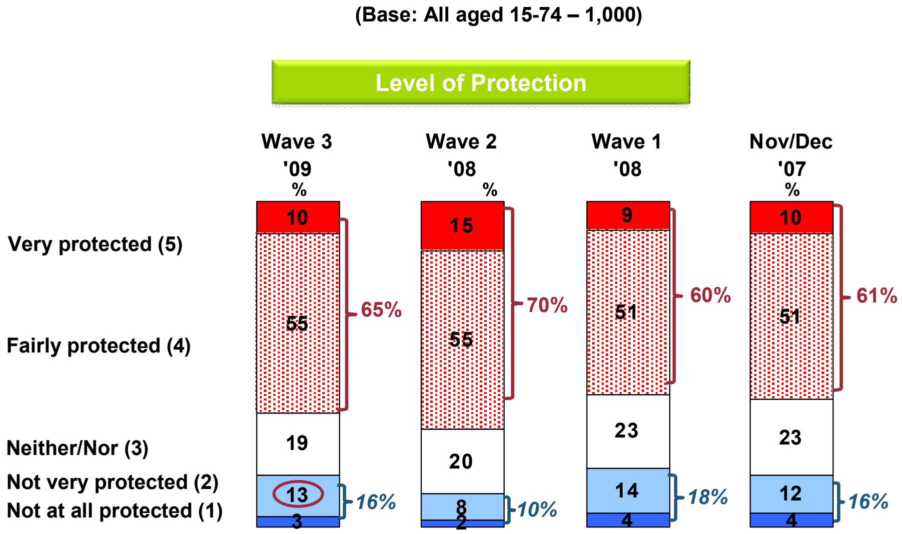


The number of consumers who perceived themselves to be knowledgeable of their rights as a consumer remains relatively consistent with the previous wave (68%). However, there has been a slight increase in those claiming not to be very knowledgeable (20%).

Again, 25-44 year olds (75%), ABC1's (76%) and main grocery shoppers (72%) consider themselves to be most knowledgeable about their rights as consumers.

Figure 3 illustrates how protected consumers feel regarding their rights.

Figure 3 Protected Regarding Consumer Rights

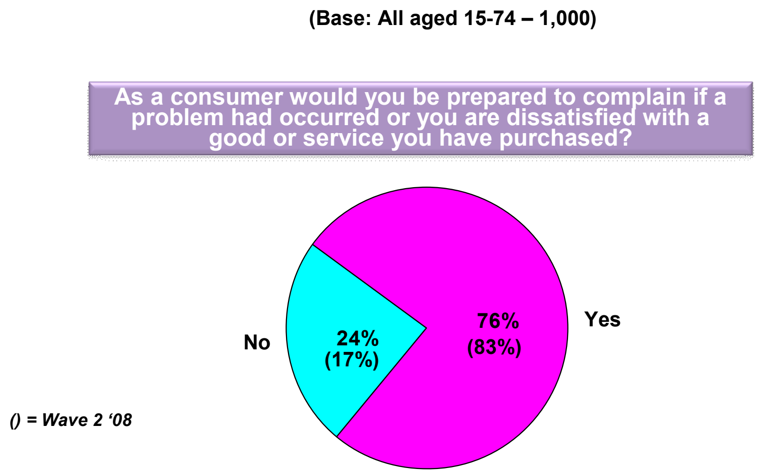


The high proportion of those who felt protected with regard to their rights as a consumer in the previous wave (almost 3 in 4) has fallen back to just under 2 in 3 in this period; with an increase of 6% who say that they don't feel protected. 16% now cite that they don't feel protected compared to 10% in the previous wave.

3 Making Complaints

Figure 4 illustrates the ratio of Irish consumers who would /would not be prepared to complain if the requirement arose. Figures in brackets refer to the previous wave of research conducted in November /December 2008.

Figure 4 Propensity to Complain



Although there continues to be a general willingness to complain evident amongst Irish consumers, this has slipped back to just over 3 in 4 (76%). This is a reduction compared with the previous wave (83%). Looking at the detailed data, not shown, Women (80%), ABC1's (81%), 25-44 year olds (80%) and those responsible for the main grocery shop (81%) would be most inclined to complain.

Figures 5 and 6 illustrate the level of complaints for a wide range of different sectors. For ease of illustration, the sectors are ranked into one of three groups depending on the level of complaints.

Figure 5 Goods & Services Bought with Reason to Complain or Return an Item -1

(Base: All aged 15-74 – 1,000)

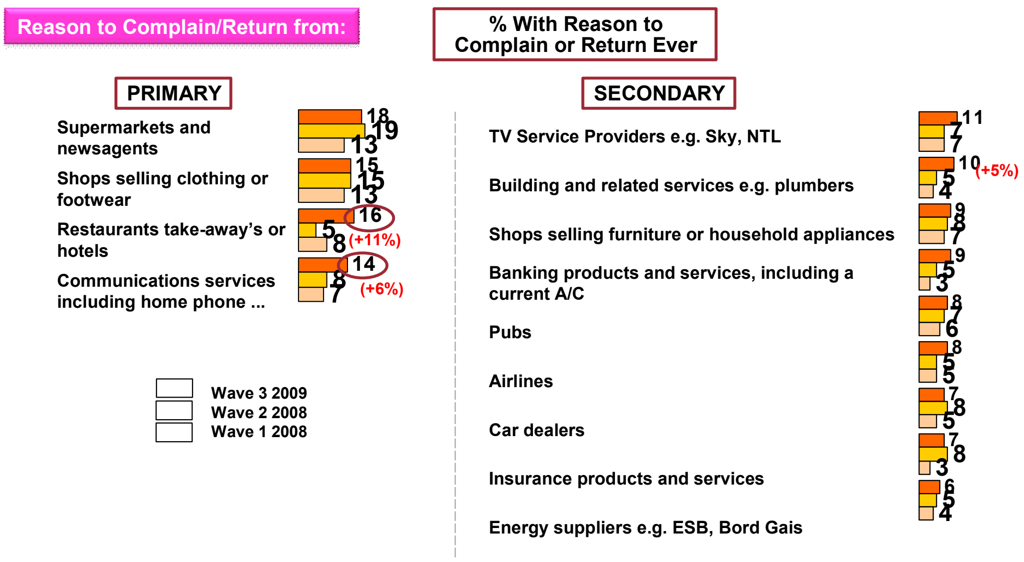
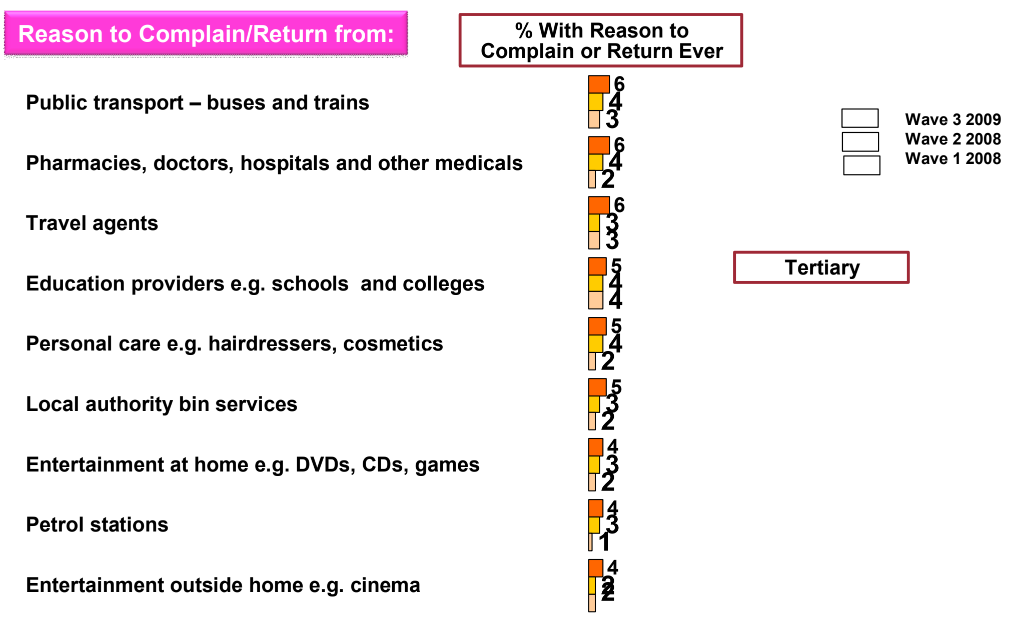


Figure 6 Goods & Services Bought with Reason to Complain or Return an Item -11

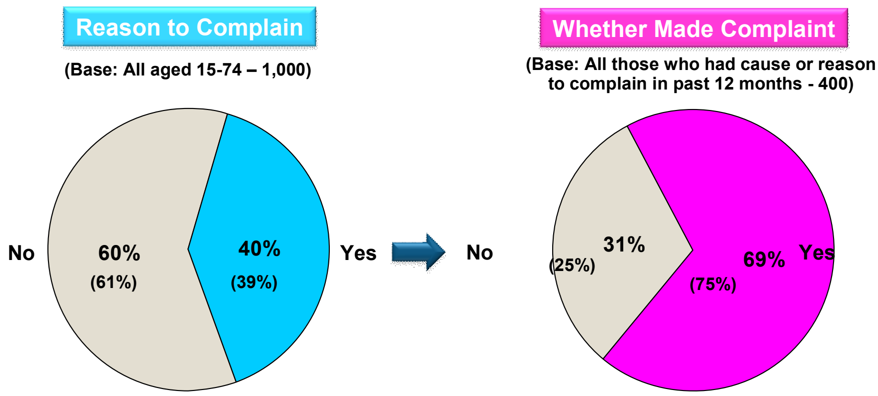
(Base: All aged 15-74 – 1,000)



Having reason to complain/return an item from a supermarket or newsagent continues to be cited the most with regards to complaints (this is partly down to the frequency with which consumers purchase from these types of businesses). However, the number of Irish consumers who claim that they have had reason to complain/return an item in relation to restaurants, take-aways or hotels has had a noticeable increase since the previous wave.

Figure 7 shows the proportion of consumers who did actually complain when they had cause to do so. In the past 12 months, 2 in 5 Irish consumers have had reason to complain. Just over 2 in 3 (69%) actually made a complaint. It can be seen that there was a 6% drop in complaints since the previous wave.

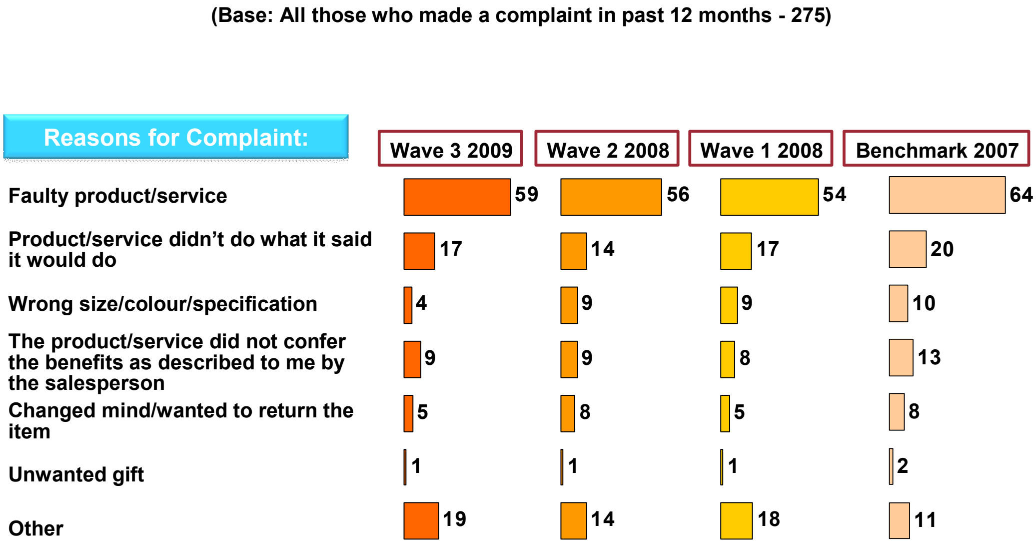
Figure 7 Whether Complaint Made When had Reason to Do So



The detailed data shows that those aged 55 or over were most likely to have complained (79%).

Figure 8 presents data relating to the reasons for complaining (where a complaint was made in the last 12 months).

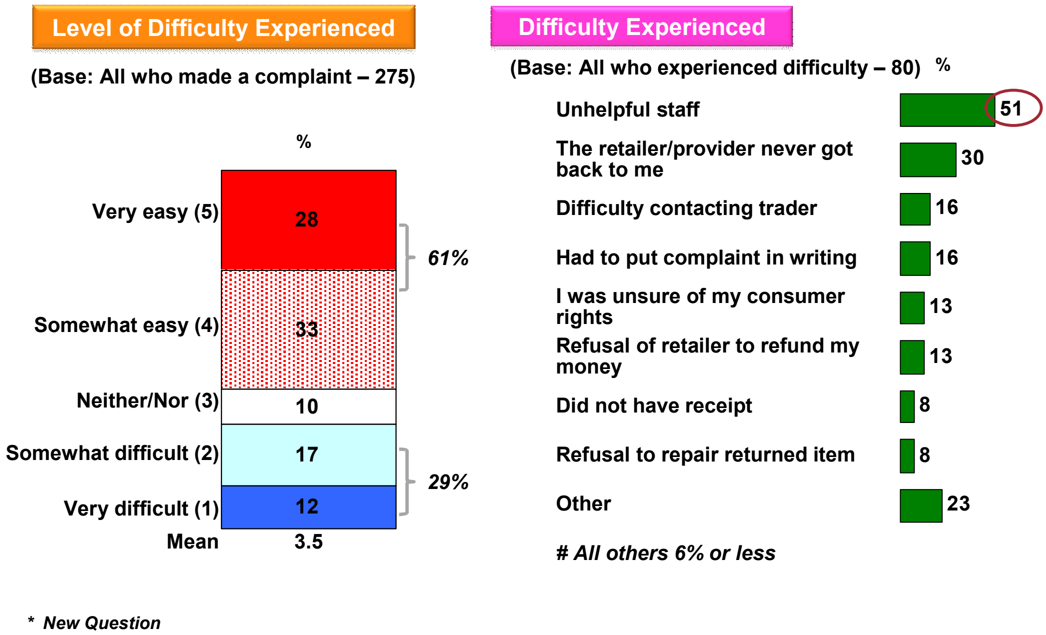
Figure 8 Reasons for Complaint



As witnessed in previous waves, the majority (59%) of complaints continue to be in relation to a product being faulty or a product/service not living up to expectations. The other reasons are also shown.

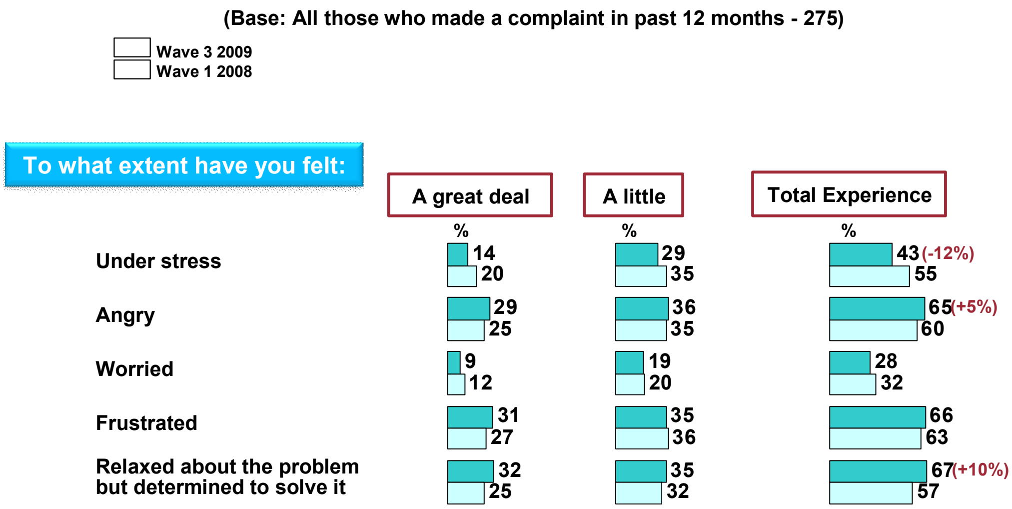
Figure 9 illustrates data relating to an assessment of the complaints process. A total of 61% of consumers who made a complaint in the previous 12 months found the process easy, whereas 29% found the process difficult. The reasons for the difficulty experienced are also shown, with unhelpful staff being the biggest reason cited.

Figure 9 Assessment of the Complaints Process



The emotional cost of the problem is shown in Figure 10. Throughout the complaints process, 2 in 3 Irish consumers have felt frustrated; yet remaining relaxed about the problem and determined to solve it. The most notable difference is the number of consumers who have felt stressed throughout the complaints process (43% versus 55% in wave 1). Consumers are less likely to say that they felt worried throughout the complaints process.

Figure 10 Emotional Cost of Problem/Complaint



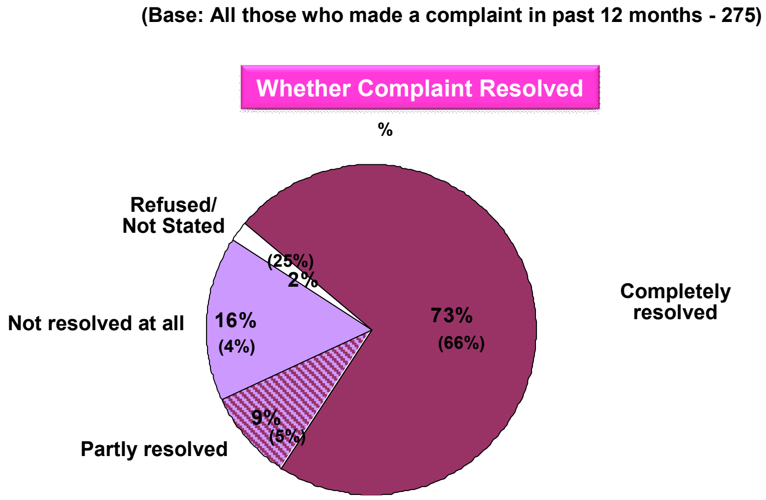
The reasons for not complaining when there was cause to do are shown in Figure 11 for each of the four surveys to date.

Figure 11 Reasons for Not Complaining

Although it remains the most popular reason for not complaining: "I did not want the hassle of having to make a complaint" has fallen back significantly to 22%. This is in line with the number of consumers who claim that they didn't have time to make a complaint. The number of consumers not complaining for fear of getting someone into trouble has increased to just under 1 in 5 (19%), an increase of 8 percentage points from the previous wave.

The current status of the problem for those who complained in the last 12 months is illustrated in Figure 12.

Figure 12 Resolution Status of Problem

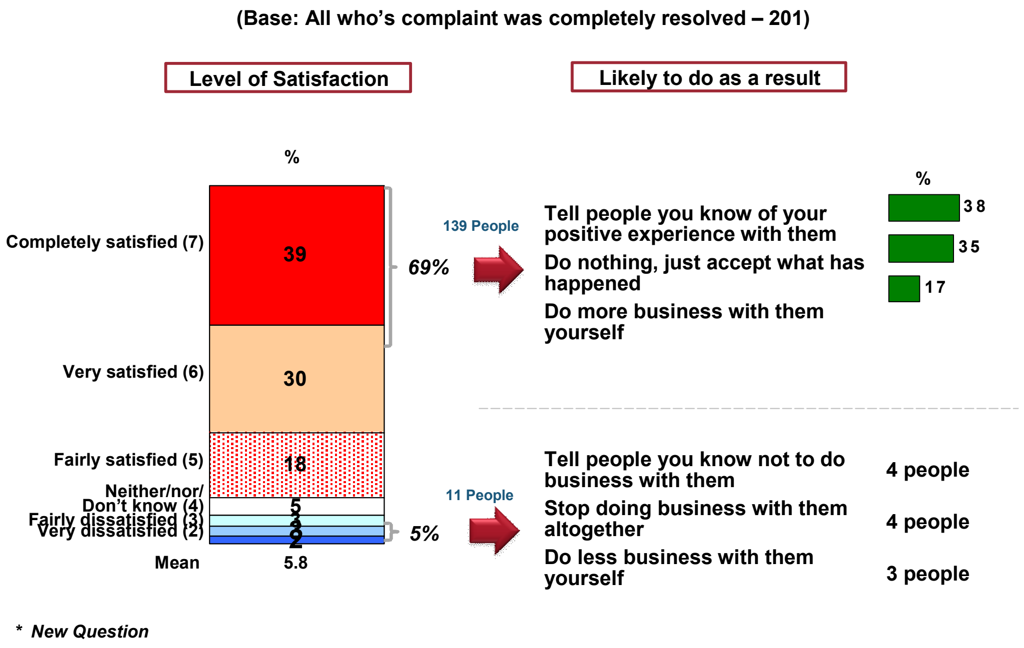


Of those who did complain, almost 3 in 4 (73%) have had their complaint completely resolved, a marginal increase from the previous wave. However, just fewer than 1 in 4 have not resolved their complaint at all.

Those whose complaints were not fully resolved were split between "pursuing the problem and not giving up until it was completely resolved" (31%) and "intending not to pursue the problem any further" (31%).

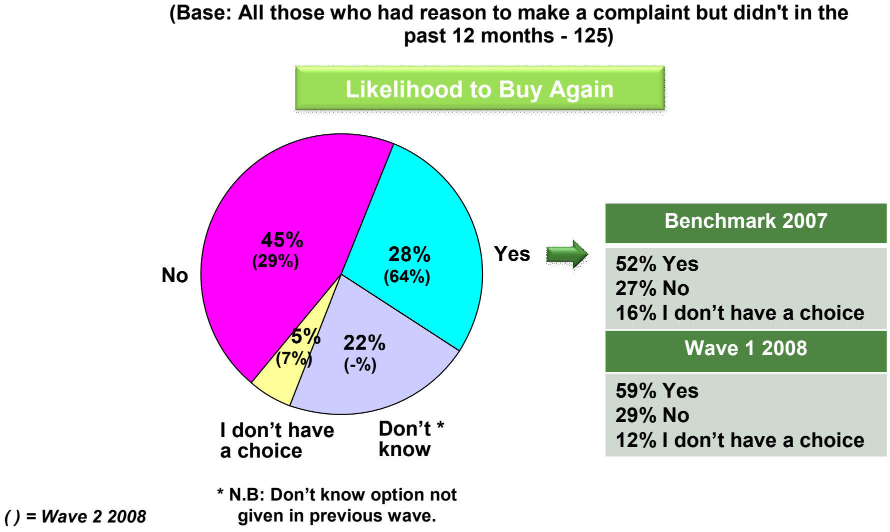
Figure 13 details the level of satisfaction with the way the complaint was handled. Over 2 in 3 (69%) consumers who had their complaints completely resolved were happy with the way in which their complaint was handled. Due to this, almost 2 in 5 (38%) would be likely to tell people they know, of their positive experience.

Figure 13 Satisfaction with the Way Complaint was Handled



Finally, Figure 14 presents data relating to the likelihood of buying again from the business where there was an issue, for all those who had cause to complain in the last 12 months but did not.

Figure 14 Likelihood of Buying Again from Business where there was Reason to Complain



More than 1 in 4 (28%) consumers who had cause or reason to complain but didn't, claim that they will buy again from the business that they had cause or reason to complain about. Just fewer than 1 in 2 (45%) said that they would not buy again from the particular business.