



Resolving problems with faulty goods and services

Purpose

The purpose of this section is to give students the knowledge and skills to make a face-to-face complaint with a shop assistant or shop manager about faulty goods. It has students practise the skills in a role-play situation.

One activity has students identify where to go to access consumer information.

Learning intention for students

We will:

- explain and demonstrate how to access consumer information and make a complaint to a trader about faulty goods.

How will we know we have done these things?

We will be able to:

- accurately describe a given consumer problem with faulty goods and what we want done to resolve the problem
- explain our legal rights under the Consumer Guarantees Act
- role-play making a complaint about faulty goods where we reach an acceptable solution to the problem with the seller.

Background information

The main ideas explored in Section 5 are:

- Under the Consumer Guarantees Act consumers may have rights of redress (right to have the problem 'put right') when there are problems with faulty goods and services.
- Before a business takes responsibility for the problem the consumer must prove that they purchased the goods or services from the retailer/service provider and that there is a problem with the goods.
- Under the Consumer Guarantees Act there are a specific set of remedies consumers can be offered to resolve problems with faulty goods and services provided by a trader.
 - If the fault is minor, or can be repaired, the retailer can choose between repairing the goods, replacing the goods or giving you a refund.
 - If the retailer refuses to fix the problem, or takes more than a reasonable time to do so, the consumer can:
 - ask for their money back
 - ask for replacement goods if the same type of goods are reasonably available to the retailer
 - take the goods elsewhere to be fixed and ask the retailer to pay for the cost of repair
 - take their complaint to the Disputes Tribunal.



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- If the problem is a serious one (the goods are unsafe, they substantially do not meet acceptable quality, fitness for particular purpose, description or sample), or cannot be repaired, the consumer (not the retailer) can choose to:
 - return or reject the goods and ask for their money back, or a replacement of similar value and type (if the goods are available), or
 - keep the goods and have the price reduced to make up for its drop in value.
- If the goods cause additional damage when they become faulty (eg, the fault in the CD player causes damage to a new CD) the consumer can ask the retailer to pay for the damage. This is called 'consequential loss'.
- Consumers may use formal and informal methods to seek redress.

SECTION 5: HOW DO I GET THIS SORTED?

ACTIVITY 1: WHERE CAN WE GO TO GET CONSUMER INFORMATION?



Where can we go to get consumer information?

Preparation checklist

- Students need access to the Internet to complete this investigation.

Activity

- a) Ask the students to brainstorm or mind map where consumers can go, or who they can talk to, to find out more information about their rights when things go wrong with goods and services, or if they have other consumer questions.

The list could include

- friends, family, experienced consumers
 - people in business
 - law centres, lawyers
 - Citizens Advice Bureau (CAB)
 - Ministry of Consumer Affairs *Manatū Kaihokohoko* (website, booklets, factsheets)
 - The Consumers' Institute (website, magazine)
 - consumer review sites on the internet
 - resources in libraries and community centres
 - retailers/sellers
 - manufacturers' websites or promotional booklets
 - product manuals and guides
 - warranties.
- b) Ask the students to carry out research into:
- the Ministry of Consumer Affairs
 - the Citizens Advice Bureau (CAB)
 - the Consumers' Institute
 - the Commerce Commission
- to find out who they are and what information and assistance services they provide for consumers.
- c) Discuss ways to get information from each of the organisations. For example, by phone, by writing to them, from the internet using the website, emailing them, using information sheets and brochures.



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- d) Choose a suitable way to find out information about each organisation. For this exercise please do not phone these organisations.

Website addresses:

<http://www.cab.org.nz>

<http://www.consumeraffairs.govt.nz>

<http://www.consumer.org.nz>

<http://www.comcom.govt.nz>

Students could make business cards like this for each of the organisations and display them in class. Include details such as the name, symbol, vision, role and contact details of the group who provides information for consumers.

Vision	LOGO
Name (Maori translation)	
What we do	What we don't do
How to contact us	

SECTION 5: HOW DO I GET THIS SORTED?
**ACTIVITY 2: SEEKING REDRESS: FIXING A
PROBLEM WITH FAULTY GOODS**

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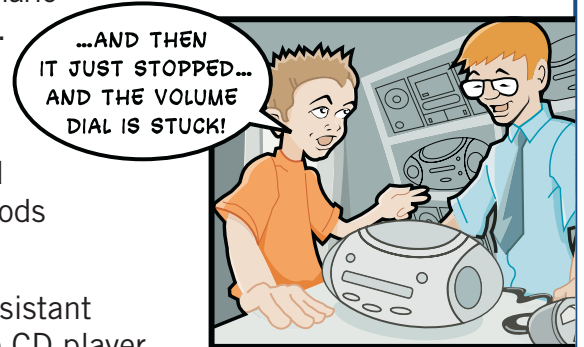
Seeking redress: fixing a problem with faulty goods

Preparation checklist

- Make sure students have their copy of the **Fair play?** scenario illustrated sheet used previously in Sections 1 and 2.

Activity

- Ask the students to revisit the **Fair play?** scenario and look at the illustration of Sam returning the faulty goods to the shop assistant or manager.
- Ask the students what Sam could expect the shop assistant or manager to do to fix the problem with the portable CD player.
- Compare their responses with this information.



Sam's right to have the problem with the faulty CD player resolved

Under the Consumer Guarantees Act (the guarantee of acceptable quality), Sam has the right to have the problem with the CD player put right. The seller of the goods can choose to repair the goods, replace the goods, or give Sam a refund. If the seller chooses to repair the goods, they must agree to complete the repair in a reasonable time. Often a retailer/store will choose to replace the goods because the cost of repair would be more than the goods are worth. If the CD player had damaged Sam's new CD, he could ask the retailer to pay for a new CD.

- You may wish to review with the students why Sam is entitled to have the CD player fixed. (He is entitled to have the problem put right because, under the Consumer Guarantees Act, the CD player was not fit for purpose as it would not play CDs. It was also not of acceptable quality because the volume dial was stuck. Sam had not done anything to damage the goods.)
- Divide the class by getting them to stand in two lines and have one line representing the shop assistant or manager, and one line representing Sam.
- Select the line representing the shop assistant or manager and go down the line asking each student (or students who want to speak) what they think the **shop assistant/manager may be thinking** when Sam says he is returning his faulty CD player.
- Ask the students in the other line what **Sam might be thinking** as he says the CD player is faulty.
- Conduct a class discussion where you:
 - group the things the students said as the shop assistant or manager
 - decide if the point of view expressed is valid, truthful or legally accurate
 - group the thoughts Sam had and consider ways he can feel more confident about making a complaint about the faulty CD player.

Strategies to assist Sam are provided in the **Making a complaint about faulty goods** information sheet and a background sheet is provided for your information.



Background information

The shop assistant or manager will know that under the Consumer Guarantees Act they must put the problem right. The shop assistant or manager should be polite and courteous, and not require the consumer to answer lots of questions that are not relevant to the situation. They may ask about the use of the product to ensure it has not been misused. They may request proof (such as a shop receipt) that the item was purchased from the shop.

It is in the interest of the shop assistant or manager to treat the customer with courtesy so that they return, and the shop gains a good customer service reputation.

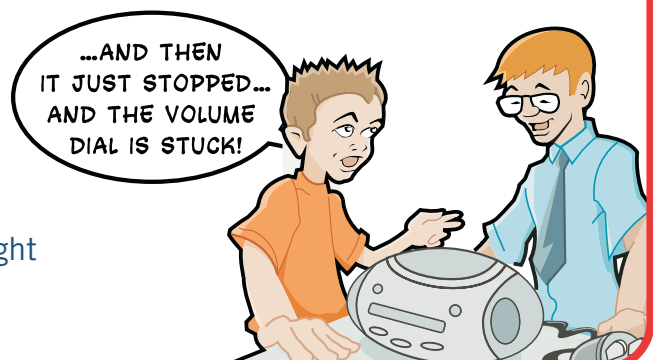
Under human rights legislation the shop assistant and manager should treat all customers the same regardless of age, gender, race etc. However, your students may give you examples of shops and shop managers where they feel they are not treated well because of their age or ethnicity.

Sam, the consumer, goes into the shop knowing the facts of the situation and his rights – that he purchased the goods from the shop, that he has not damaged the goods and that the problem must be put right. It is Sam's responsibility to provide proof of purchase and proof of the fault. He should be courteous and clear about the facts. He should expect to be treated with courtesy if he can explain the problem without getting angry or using abusive language.

Sam may want to take someone for support, an adult or a responsible friend, but it is usually better if one person talks with the shop assistant and the support person acts as silent support.

Consumers are often not confident when they take back faulty goods, so the shop should not make it difficult for the consumer to explain their problem. Many shops recognise that they can have an advantage over their competitors if they develop a reputation for dealing with problems easily and effectively, and may use this in advertising and promotion about themselves.

Stores do not have to give refunds if a person decides to change their mind about a purchase. They do have to give the consumer a refund if there is a substantial fault with goods and the consumer wants their money back. Stores that feature blanket 'No Refund' signs might be breaking the law.



- i) Ask the students if they or their families have returned faulty goods and have students who have returned faulty goods describe their experiences.

SECTION 5: HOW DO I GET THIS SORTED?
ACTIVITY 2: USING ROLE-PLAYS TO PRACTICE
SEEKING REDRESS

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Using role-plays to practice seeking redress

Preparation checklist

- Provide copies of **Making a complaint about faulty goods** information sheet (approximately one copy per three students).
- Provide copies of the **Returning faulty goods** role-play sheet (approximately one copy per three students, one per group).



Activity

- Divide the class into groups of three to role-play consumers making a complaint about faulty goods. Remind your students of role-play rules especially about de-roling.
- Give each student or group of students the **Making a complaint about faulty goods** information sheet and each group of students the **Returning faulty goods** role-play sheet.
- Ask the students to complete three role-plays using the three scenarios provided, with each student having the opportunity to try the three roles. Have the students discuss what happened in each role-play before they begin the next role-play.
- Discuss with the class what happened in the role-plays, and discuss some strategies they used that helped them get the problem with the faulty goods resolved.
- Discuss with students what they would do if the shop manager will not resolve the issue. There are legal avenues for consumers to pursue complaints including using the Disputes Tribunal. If your students want to find out what to do if they are having difficulty resolving a consumer complaint about goods or services or misleading advertising, they can go to

<http://www.consumeraffairs.govt.nz/consumerinfo/complaining.html>





Reflection and evaluation

To summarise this learning:

- a) Ask the students to complete the speech bubbles on the **Fair play?** scenario sheet handed out in Activity 2 and/or create a comic strip with a new scenario that involves successfully making a complaint about faulty goods.
- b) Ask the students to revisit the 5W 1H questions they asked in Section 2 Activity 1, review their answers, and complete or modify them. Assist any students with unanswered questions to use the website <http://www.consumeraffairs.govt.nz/consumerinfo> to answer them.

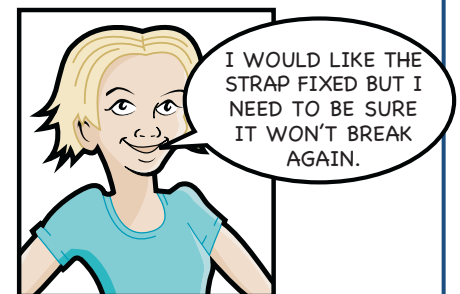
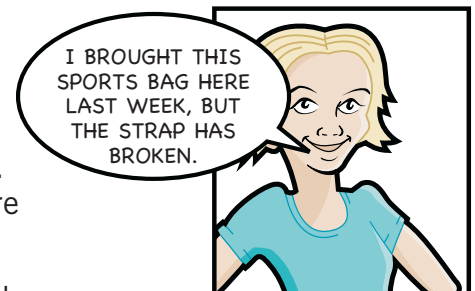




Making a complaint about faulty goods

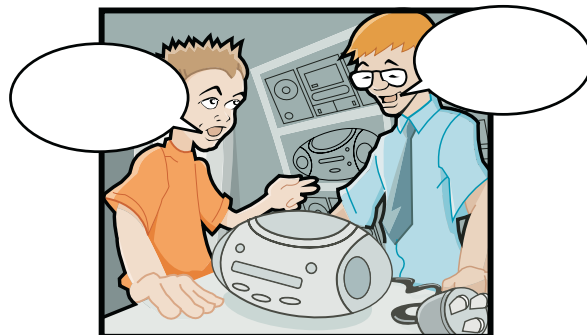
Before you go to the shop ... get organised ... get the facts together

1. Write down:
 - the problem
 - any information you can remember about the purchase if you do not have the sales receipt including:
 - the date of the purchase
 - what you paid for it
 - who served you.
2. Find out your legal rights under the **Consumer Guarantees Act**. Remember if the fault is minor, the shop can decide whether to repair the goods, replace the goods or give you a refund. If the fault is serious, you are entitled to choose a solution.
3. Collect anything in writing that can help prove your case, eg, sales receipt, advertisement.
4. Plan what you are going to say:
 - Keep it simple.
 - Explain the facts. 'I bought this sports bag here last week, but the strap has broken.'
 - Tell the trader what you want done about the problem. 'I would like the strap fixed please, but I need to be sure it won't break again when I carry my sports gear in it.'
5. Practice what you are going to say. Consider whether you want to take a friend or adult for support. If you do want support then arrange for them to come with you.
 - Speak first to the sales assistant. Many shops have a policy of quickly sorting out complaints and the sales assistant may be able to resolve it for you. However, the sales assistant may need to call the manager. If you do not have a successful conversation with the sales assistant, you can ask to speak with the manager.
 - Stay calm and be polite.
 - Explain the problem. 'I bought this sports bag here last week, but the strap has broken.'
 - Tell the retailer what you want done about the problem, eg, 'I would like the strap fixed if it will be strong enough for me to carry my sports gear.'
 - Remember your legal rights.
 - Don't enter into arguments about whose fault the problem is.
 - Don't let the retailer say the goods must go back to the manufacturer. The retailer must fix the problem.
 - Keep repeating what is wrong with the goods and or service and what you want done about it.
 - If you are not making progress, thank the manager and leave the store and plan what to do next.





Returning faulty goods role-play sheet



Scenarios

Role-play 1 The Fair play? scenario

Sam is returning the faulty CD player to the shop assistant.

Role-play 2 The faulty T-shirt

Aroha buys a new T-shirt but when she gets it home she sees the stitching is coming undone around the shoulder. She is returning the faulty T-shirt and speaking to the shop assistant.

Role-play 3 The faulty cell-phone

Joe's friend Tim bought a cellphone. After one week of use it stops working. Tim has explained the problem to the shop assistant who has called the manager. Tim needs to explain the problem to the manager. The manager will want to know that Tim has not done anything to damage the cellphone and will want to check that he has not taken it apart and explored or modified how it works.

Roles

The consumer

1. Use the **Making a complaint about faulty goods** sheet to help you prepare what you are going to say to get your problem with the faulty goods fixed.
2. Practice what you are going to say before you start the role-play.

The shop assistant or manager

1. Prepare what you are going to say to the consumer when they make a complaint about faulty goods. Decide which of these two approaches you will take:
 - a) agree to fix the problem once it is well-explained to you, or
 - b) make it harder for the consumer to explain the problem but not get angry. You eventually agree to fix the problem once it is well explained to you.
2. If the fault is minor, decide what you think is the appropriate solution or remedy for the problem – a repair, a replacement or a refund. Think about why you would respond in a particular way, eg, the repair may be more expensive than a replacement.

The support person

1. Your role in the role-play is to silently support your friend, the consumer.
2. You are also the observer of the role-play and can stop it at any time and discuss what is happening with the two characters.
3. You are responsible for following the instructions your teacher gives you to de-role the characters in the role-play.
4. When the role-play has finished you can lead a discussion with your group members on how it went. You can tell them what you observed happening in the role-play.

