

Are EU consumers empowered?

Margareta Theelen – Deputy Head of Unit, SANCO B1

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Why?



What?



Main issues

- Perceived confidence
- Consumer skills
- Consumer awareness
- Consumer behaviour
- Willingness to take action and detriment



Perceived confidence



Perceived confidence

- 73% feels *confident*
- 63% feels *knowledgeable*
- 55% feels *protected*



as consumers

Perceived confidence

- Confidence decreases with age and increases with education
- Unemployed and house persons feel least protected
- Internet users feel more confident

Consumer skills



**Q1: The same flat-screen TV is on sale in both shop A and B.
Which one is cheaper?**

- 1. The one sold in shop A**
- 2. The one sold in shop B**
- 3. They are the same price**
- 4. I don't know**



Q2: Thinking now about savings or deposit accounts, which of the following would be the best interest rate?

1. 1%

2. 2%

3. 3%

4. 4%

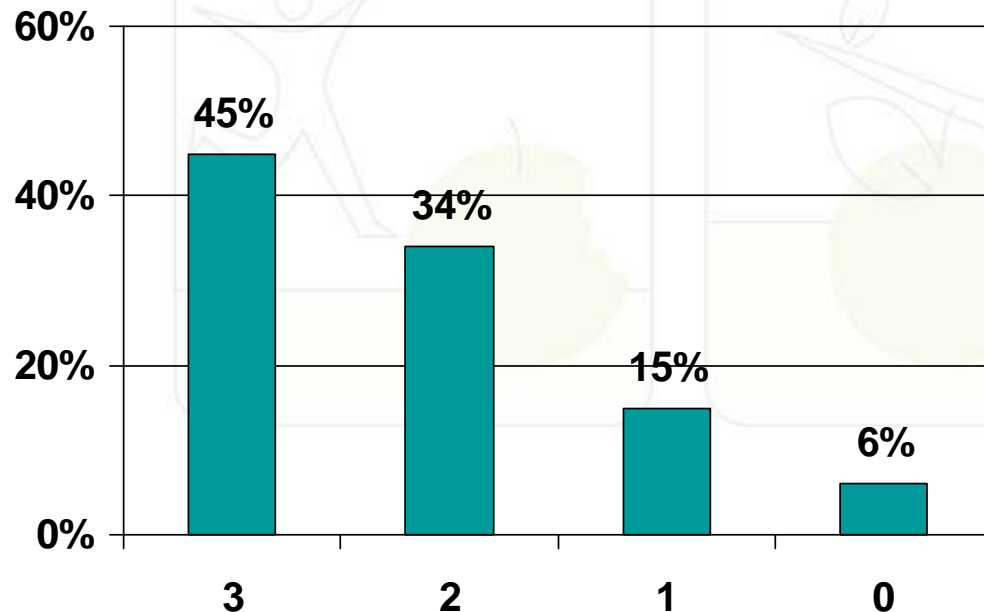
5. I don't know

Q3: A family is charged interest at 6% per year on a 50.000 euro home loan. How much is the interest for the first year?

- 1. 300 Euros**
- 2. 3.000 Euros**
- 3. 5.000 Euros**
- 4. 6.000 Euros**
- 5. I don't know**

Consumer skills - numerical

■ Correct answers: EU27



3 correct answers

- Top MSs: NL (74%), DK, SE, DE (>60%)
- Bottom: RO(15%), PT, ES, IT, LV, MT (<40%)

Consumer skills – labels & logos

Labels

- 58% is able to interpret nutritional information
 - fat content in 100gr of a product
- 82% is able to read the best before date

Q4A: And could you select which of the statements you think is the right meaning for each logo?

- 1. The product meets strict ecological standards: it is eco-friendly**
- 2. The product will be detrimental to your health if not used properly**
- 3. The product is organically farmed**
- 4. The product has been made in the EU**
- 5. The product conforms with the relevant European legislation**
- 6. The product is made of paper that can be recycled**
- 7. I don't know**



Q4B: And could you select which of the statements you think is the right meaning for each logo?

- 1. The product meets strict ecological standards: it is eco-friendly**
- 2. The product will be detrimental to your health if not used properly**
- 3. The product is organically farmed**
- 4. The product has been made in the EU**
- 5. The product conforms with the relevant European legislation**
- 6. The product is made of paper that can be recycled**
- 7. I don't know**



Q4C: And could you select which of the statements you think is the right meaning for each logo?

- 1. The product meets strict ecological standards: it is eco-friendly**
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- 3. The product is organically farmed**
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- 6. The product is made of paper that can be recycled**
- 7. I don't know**



Q4D: And could you select which of the statements you think is the right meaning for each logo?

- 1. The product meets strict ecological standards: it is eco-friendly**
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- 3. The product is organically farmed**
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- 5. The product conforms with the relevant European legislation**
- 6. The product is made of paper that can be recycled**
- 7. I don't know**








Q4E: And could you select which of the statements you think is the right meaning for each logo?

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- 3. The product is organically farmed**
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- 7. I don't know**



Consumer skills - logos

	familiarity	meaning
	16%	34%
	66%	25%
	17%	12%
	55%	50%
	64%	63%
ALL	-	2%

33% the product
is made in the EU

Consumer awareness



Consumer awareness

- Awareness of consumer rights tested in:
 - unfair commercial practices
 - cooling off periods
 - guarantee periods
- Awareness increases with education
- Lowest awareness among students, house persons, retired



Q5: An advertisement in your newspaper says: "Free sunglasses, just call this number to collect them". You call the number and later you discover that it is a very costly premium rate telephone number. Was the advertisement legal or illegal?

- 1. Legal**
- 2. Illegal**
- 3. Allowed for certain goods**
- 4. I don't know**

Q6: Imagine you receive by post two educational DVDs that you have not ordered, together with a 50 Euros bill for the products. Are you obliged to pay the bill?

- 1. Yes, you are obliged to pay**
- 2. No, provided that you send the DVDs back**
- 3. No, and you are not obliged to send the DVDs back**
- 4. I don't know**

Q7: Which rule do you think applies about advertising the price of air tickets?

- 1. The advert must state the total amount to be paid, including taxes, fees and charges**
- 2. The advert must state the airline's flight price, but this does not have to include taxes, fees and**
- 3. There is no specific rule for what information has to be shown**
- 4. I don't know**

Q8: Suppose you ordered a good by post, phone or the Internet, do you think you have the right to return the product you ordered 4 days after its delivery and get your money back, without giving any reason?

- 1. Yes**
- 2. No**
- 3. I don't know**

Q9: Imagine you purchase car insurance over the telephone, the internet or by post. Two days later you discover a better deal with another provider and you decide to cancel the original contract. Do you have the right to do that?

- 1. Yes, but you won't get your money back**
- 2. Yes, but you have to pay an administration fee**
- 3. Yes, and without paying anything**
- 4. No**
- 5. I don't know**

Q10: A salesman calls uninvited at your door demonstrating a vacuum cleaner and you buy it, but 2 days later you discover a better deal. Do you have the right to return the vacuum cleaner and get your money back without giving any reason?

- 1. Yes**
- 2. No**
- 3. This practice is illegal in my country**
- 4. This practice does not happen in my country**
- 5. I don't know**

Q11: Imagine that a new fridge you bought 18 months ago breaks down. You didn't buy any extended commercial guarantee. Do you have the right to have it repaired or replaced for free?

- 1. Yes**
- 2. No**
- 3. It depends**
- 4. I don't know**

Consumer awareness

- 2% answered correctly to all the questions
- 4% do not give any correct answer
- Top MSs: DE (7%), FI (4%)
 - **8% in NO**

Consumer behaviour



Consumer behaviour

EU consumers...

- ➡ shop for 3.2h/week
- ➡ read (at least partially) terms and conditions buying a service contract (77%)
- ➡ bought something on Internet in the past (52%)

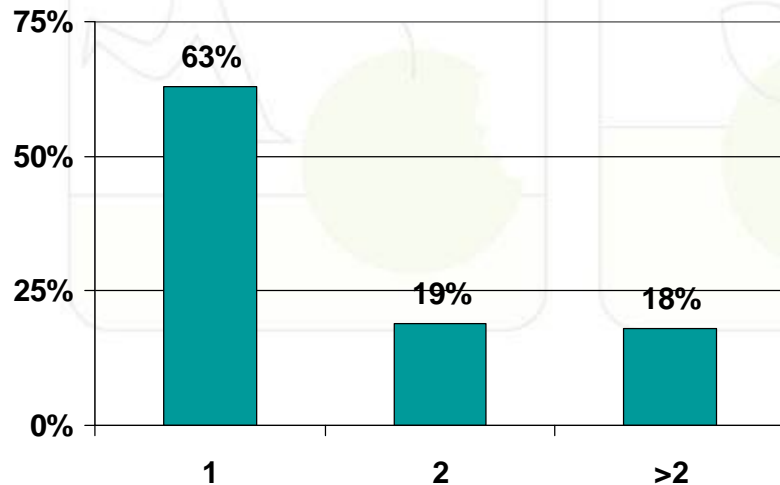


Consumer behaviour

- ➡ know at least one consumer organisation (49%)
- ➡ show interest in programmes on consumer issues (64%)
- ➡ talk about their consumer experience and are more likely to pass on positive experience (61%) than negative one (50%)

Detriment

21% encountered (at least) one problem in the past year



- Average loss/problem: 374€
- Total detriment suffered: 0.4% of EU GDP

Willingness to take action



Willingness to take action

- About 7 in 10 think that they *would make* a complaint...
- ...and about the same percentage actually *made* one
- managers (79%) and white collars (75%) are more likely to react
- students (67%) and retired (68%) the least willing to take action



Willingness to take action

Threshold for:

- going to court – 1 000€ for 58%
- going to ADR – 500€ for 52%



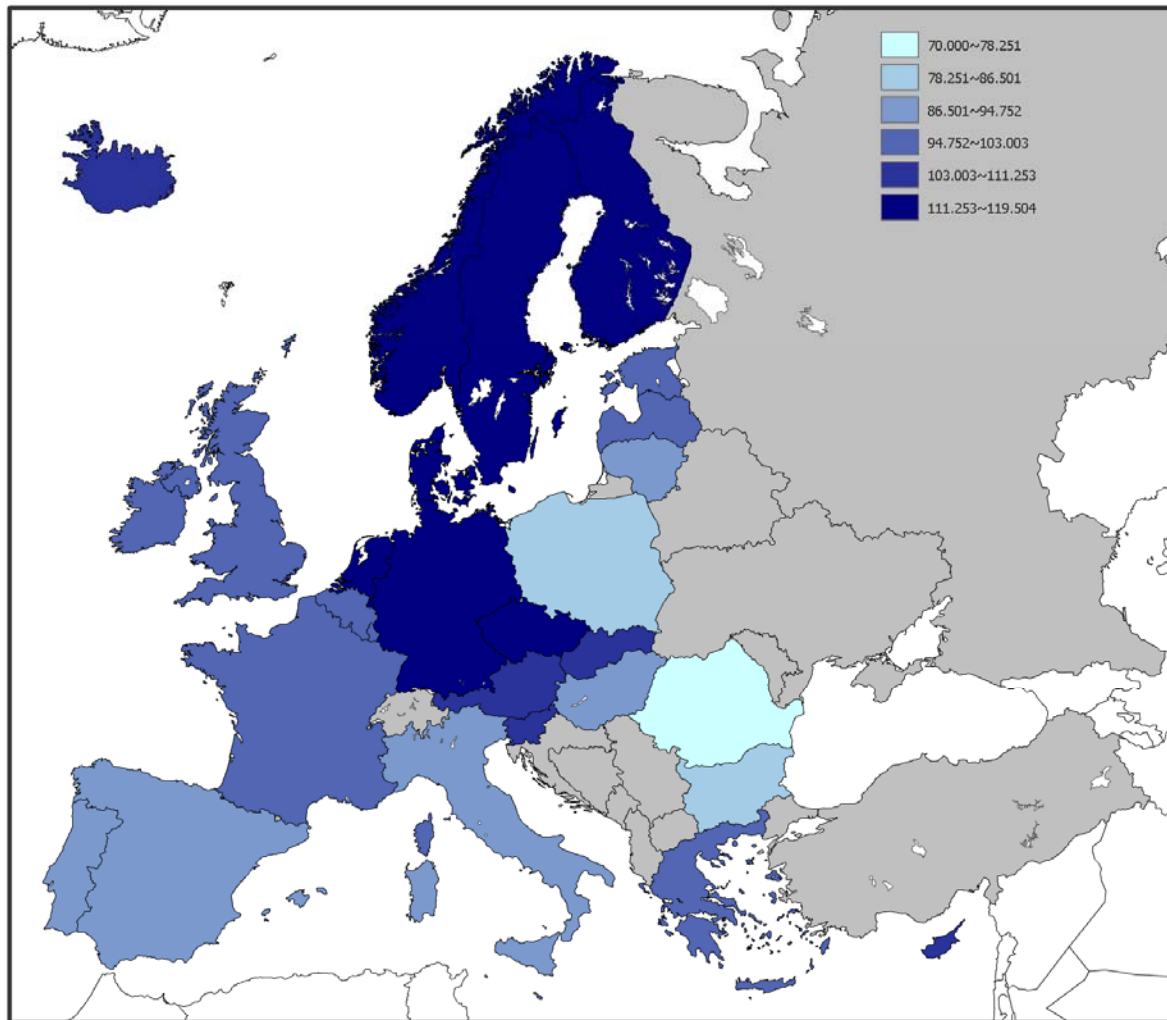
Reasons for NOT taking action

- Satisfactory reply from retailer (44%)

But also

- Sums involved too small
- Unlikely to get satisfactory results
- Thought it would take too long
- Too much effort
- Not sure about my rights
- Didn't know how to do

Consumer Empowerment Index



Follow-up

- Commission Staff Working Document with a detailed analysis of the results
- Consultation
- Commission Communication
- Use at national level

More information:

http://ec.europa.eu/consumers/consumer_empowerment/index_en.htm

Thank you for your attention!

