

Consumer issues in Victoria

Problems, complaints, and resolutions



CPRC

The Consumer Policy Research Centre (CPRC) is an independent, not-for-profit, consumer think-tank. Our work is possible thanks to funding from the Victorian Government.

CPRC exists to champion new thinking to create systemic change that improves consumer wellbeing.

Acknowledgements

Report author: Ben Martin Hobbs

CPRC would like to thank Jeanie Paterson, Luke Nottage and Amanda Adams for their input, time and advice, which informed our survey design and approach to analysis. The views expressed in this report should not be attributed to them. CPRC is responsible for the views in this report, including any errors or omissions.

Statement of Recognition

CPRC acknowledges the Traditional Custodians of the lands and waters throughout Australia. We pay our respect to Elders, past, present and emerging, acknowledging their continuing relationship to land and the ongoing living cultures of Aboriginal and Torres Strait Islander Peoples across Australia.

Published by Consumer Policy Research Centre

Consumer Policy Research Centre, *Consumer issues in Victoria: problems, complaints, and resolutions*, May 2023

cprc.org.au



Table of contents

Introduction	4
Methodology	6
Consumer problems by sector: problems, complaints and resolutions	7
– Essential services	8
– ‘Under-regulated’ financial products	10
– Home ownership and maintenance	11
– Big-ticket items	13
– Health and human services	14
– Professional services	15
– Fast-moving retail goods	16
– Entertainment, recreation and digital	18
– Travel	19
– Other miscellaneous services	21
Problems consumers experience – products	22
Problems consumers experience – services	24
Resolving frustrating issues	25
Resolving problems	26
Resolving problems – outcomes of action	28
Resolving problems – reasons for not taking action	29
Consumer guarantees	30
Safety	31
Footnotes	32

Introduction

How many people purchased something that didn't work? What did they do about it? Did companies and complaints processes support them to get a fair fix?

These are the questions that CPRC is seeking to answer in our Victorian consumer survey. We want to regularly measure the types of consumer problems that people have and look at which sectors are performing better, or worse, on customer care.

Too many Victorians are being given incorrect information by businesses about their right to a refund, repair, or replacement. We found that 42% of Victorians were given incorrect or incomplete information about the consumer guarantee rights they have under the Australian Consumer Law. In some cases, businesses tried to sell people an extended warranty which may cover the exact same protections provided for free under the consumer law. Businesses also told people that they couldn't return sale items for any reason, that there was no refund available after the manufacturer's warranty ended or that if something went wrong with a product, they would have to return it in the original packaging. All of these statements are incorrect and likely act as a barrier to people using their consumer law rights.

Victorians told us about challenges with faulty or broken products or services failing to meet expectations. In the 12 months before the survey, 13% of Victorians had a faulty or broken item and 14% had issues where a service wasn't delivered as expected or didn't work.

Issues were more common for some purchases than others. The most problematic product for Victorians was vehicles. Over a 12-month period, 41% of Victorians who purchased a second-hand vehicle had a problem and 31% of people


who purchased a new car had a problem. These are all issues that happened in the first year of purchase, but far too few of these problems get fixed – 21% of Victorians with a used car and 16% with a new car reported that they had an unresolved problem.

With services, people told us about clear challenges they had with housing, both as renters and with building or maintaining homes. While only small numbers of people told us they purchased aged care services or services as part of the National Disability Insurance Scheme, we also saw very worrying rates of problems reported in these sectors.


Consumers don't always make complaints or raise issues when something goes wrong. 28% of people who didn't take action said it was because they thought it wasn't worth the effort. We see a link between this finding and the frustrations you'll see throughout the report with customer service. 14% of Victorians had difficulty contacting a company when something went wrong and the comments from the survey clearly show how many people are losing time when they have to chase businesses who haven't done what they promised.

Overall, our survey points to major areas for improvement for businesses as a whole in Victoria. Great businesses are being clear with their customers and working with them to address problems when things go wrong. We need more businesses to invest in quality customer care and to provide clear and accurate information about the consumer law, from the point of purchase to when they are handling complaints.


14%
of Victorians had difficulty contacting a company when something went wrong



13%
of Victorians had a faulty or broken item and 14% had issues where a service wasn't delivered as expected or didn't work



41%
of Victorians who purchased a second-hand vehicle had a problem and 31% of people who purchased a new car had a problem



42%
of Victorians were given incorrect or incomplete information about the consumer guarantee rights



CPRC is seeking views to establish a longitudinal survey on consumer issues

This survey is CPRC's first initiative to gather quantitative data about broad consumer issues in Victoria. We are seeking feedback on how we can improve on this first survey as we will be more regularly collecting data about the challenges people face as consumers.

Below, we have outlined questions we will be asking experts in the coming months, but we welcome comment from any interested party and on any matter that improves the usefulness of future iterations of this survey. CPRC will be seeking meetings with experts across 2023 about the next iteration of this survey.

Please contact us on office@cprc.org.au if you would like to be involved.

Should we make any amendments to our survey questions?

All questions are available to view at cprc.org.au

Do our groupings of products and services provide useful comparisons? Are there other kinds of groupings we should consider?

What other data should we collect to better understand the context or nature of the problems reported? How can we collect this in a comparable way?

Should we revise the survey to capture only the most recent issue someone has experienced (as opposed to the most difficult problem in the last 12 months), with more detailed data collection around the kinds of issues and barriers experienced?

Have we captured the right products and services? Are any key products or service missing?

Should we ask about whether people use the product/service as well as whether they purchased it?

As noted in our data limitations section, we are not currently restricting our questions to primary purchasers for a household: there will be a range of people who use a product/service that another member of their household purchases.

Are there other ways to quantify the detriment caused to consumers through problems with particular products or services?

What other research should CPRC be conducting to understand the consumer experience as a result of these findings?

Methodology

Data collection was conducted by CPRC, using Ipsos’ Digital Platform, with a survey of 1500 Victorian consumers between 21 and 24 November 2022. The data has been weighted to ensure it is representative of the Victorian population, using age and gender figures from the 2021 ABS census data.

Quotes used throughout this report are from the open-ended questions from the survey. Any personally identifiable information in quotes have been removed to ensure the privacy of survey respondents.

In developing this survey, we have drawn from a range of different consumer protection studies conducted in the last 7 years, including EYSweeney’s 2016 Australian Consumer Law report as well as the UK business Consumer Protection Study conducted in 2022. Our approach sought to unpack groups of products and services that have been combined in other surveys. We’ve also sought to update categories, given the emergence of new products and services. Accordingly, our product and service categories do not neatly align with existing survey data.

In analysing our data, products and services have been grouped together in charts for comparison on the basis of frequency of purchase, whether they entail large or small financial outlays, or whether consumers are likely to view products and services as essential or discretionary.

Data limitations

Our sample of 1500 Victorians provides a confidence level of 95% – i.e., that results are accurate within 5 percentage points at a population level.

The data is not necessarily reflective of issues people face outside of Victoria and is unlikely to capture challenges faced by relatively small groups of the Victorian population. The survey should be used to give a general sense of the scale of consumer problems in Victoria but needs to be complemented with other research to show the impact of issues on people, including the impact on vulnerable groups.

We deliberately did not seek responses from primary purchasers in a household, instead choosing a Victorian representative sample. However, this means that some categories may have fewer people saying they’ve purchased a product as another member of their household makes that purchase for them.

For some product or service categories, only a small number of people responded that they had made a purchase in the last 12 months. For sectors with a response incidence of 50 or less, subsequent reported findings (proportion reporting they made a complaint or a problem not resolved) should be treated as indicative due to the small sub-population sample size. Throughout this report, these indicative results are identified with an asterisk next to the sample size.

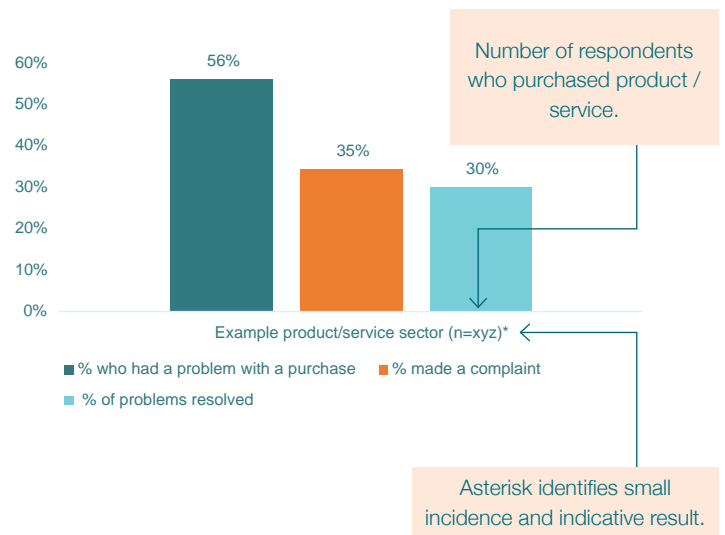
How to read this report

Each chart illustrates data about groups of products or service categories. For each category we have included:

- the percentage of respondents who had a problem with purchase.
- the percentage of respondents who made a complaint about their purchase (regardless of whether their complaint resolved the problem or not).
- the percentage of respondents who reported the issue was not resolved OR still outstanding (regardless of whether the respondent made a complaint or not).

The base for each of these datapoints is the total number of consumers who reported they had purchased that product or service. This base ‘n’ has been included in each chart.

Figure 1: Example chart



Consumer problems by sector: problems, complaints and resolutions



Essential services

A higher proportion of people reported an issue with rental providers (28%) than other essential services, with a notably higher proportion reporting the problem was not resolved or was still outstanding (13%). This may reflect the known delays for complaints at the Victorian Civil Administrative Tribunal¹ and exacerbated issues in a tight rental market.

After problems with rental providers, our survey found one in five Victorians reported a problem with internet provider (21%), mobile provider (20%) or a current account, loan or bank service (19%). CPRC’s 2021 Sector Scorecard found telco providers on par with rental providers for poor performance – this new data suggests some improvement on the part of telco providers but with further work required to meet the standards of other essential services.²

Comments show that a number of complaints about essential services relate to poor customer service. People told us how companies failed to respond to basic requests for repairs or to make simple changes to a service.

Reported problems

28%

Rental providers



21%

Internet providers



20%

Mobile providers

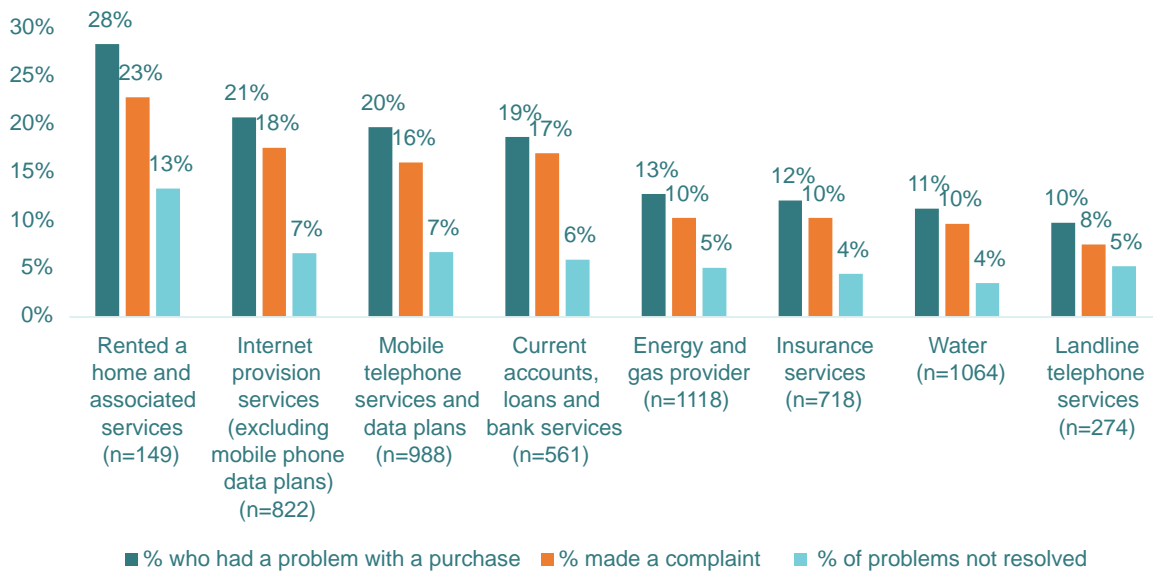


19%

Bank services



Figure 2: Essential services



Dealing with our household's rental real estate agent has been the most frustrating experience of the year by far. With many, many calls and begging negotiations to get even the tiniest of repairs or maintenance completed. The household has an ongoing case with VCAT to return our bond over such a small problem (that is truly a waste of everyone's time) – the chandelier was not "polished" when vacated.

Change account re gas from deceased person to my name. Gas company was hopeless. They wanted to speak with the main account holder. Ended up with the ombudsman.

Continual problems with home internet (NBN) as it was down or working intermittently for several days at a time over the course of three weeks. My internet provider arranged for the NBN technicians to attend to rectify, however they could not identify a fault. Three NBN technicians attempted to fix the fault over this period and each was unable to do so. I threatened to take the matter higher up the chain so two different technicians arrived and removed wires, cables and hardware over 6 hours.

Currently renting a house and have advised the real estate agent at least 4-5 times that when it rains the windows leak and water drips inside enough to make small puddles on the floor. The agent has called the handy person to come out and they have not fixed it and haven't come the last 2 times it was reported.

Have had private health insurance for nearly 50 years. Until recently only used twice – for birth of my 2 children. Then my husband required urgent cardiac surgery and we were left with many thousands to pay over and above the health fund rebate. Complained to surgeon about excessive costs. Told "Bad luck." Makes me reconsider having private health insurance as we have the highest cover and it's extremely expensive. What's the point?

*Bank issues!!!
My experience with [major bank] as I suspect with many other banks, is that the way they want you to communicate is "on-line" always. Face to face contact, leading to better understanding of an issue. As a senior I find it terribly frustrating to negotiate pressing buttons only to be directed else. It's a bloody maze.*

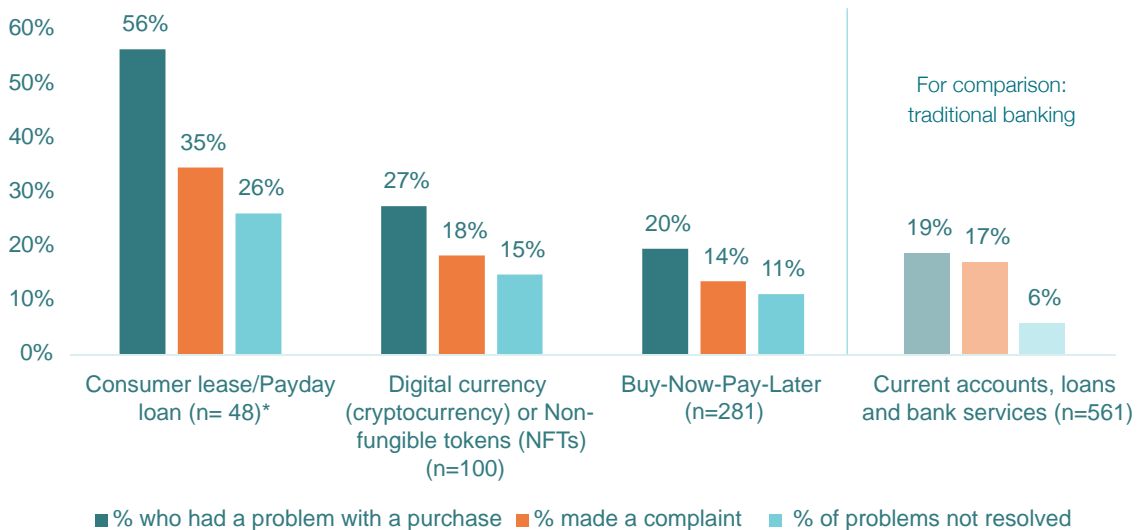
‘Under-regulated’ financial products

A high proportion of people reported problems with what we’ve called ‘under-regulated’ financial products. These are financial services that, at the time of our survey in November 2022, were the subject of public debate about the appropriate level of regulation and consumer protections that should apply.

Our data demonstrates a similar proportion of Victorians reported problems with their current account, loan or bank

services (19%) as consumers with BNPL loans (20%). However, a higher proportion Victorians made a complaint with a traditional banking service provider (17%) compared with consumers with a BNPL loan (14%). A far lower proportion of problems with traditional banking services were not resolved/still unresolved (6%) compared with BNPL providers (11%), which may reflect more effective internal and external dispute resolution systems between the two categories.

Figure 3: Under-regulated financial products



We only had a small number of people tell us that they had purchased a consumer lease or a payday loan in the last 12 months. Results for this categories should be seen as indicative due to the lower response rate. However, it is worth noting that a large percentage of this small group told us they had a problem with their consumer lease or payday loan. Importantly, since our fieldwork was completed in November 2022, the Federal Government has passed new laws to improve consumer protections with consumer leases and pay day loans. While there will likely be some lag for the effect of this new legislation to fully realised, we hope that subsequent iterations of this survey will reflect the impact of these reforms.

I've had ongoing frustrations with BNPL schemes. The fees are unnecessarily high, and there is little slack to repayments, often causing caustic issues with providers, even with the slightest delays.

I have \$14k trapped by a scam crypto service provider who won't give me back my money.

Home ownership and maintenance

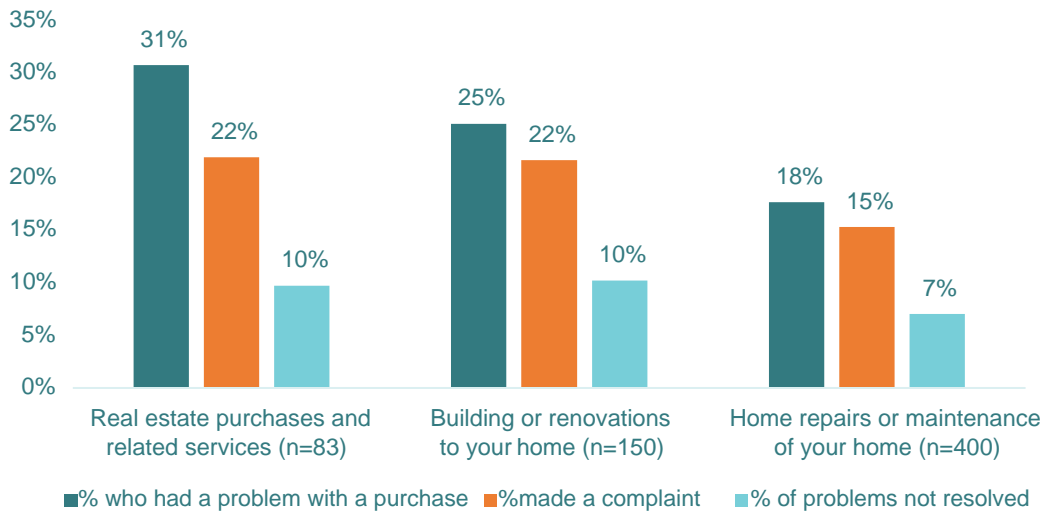
Housing is the single largest investment most people will make over the course over their lifetime. Given the cost of this asset, it is worrying that we're seeing a high number of people reporting problems with housing at each stage of the housing lifecycle – buying (31%), building or renovating (25%), and maintaining or repairing their homes (18%). Note, our survey was conducted well before most of the high-profile collapses of building companies, which have caused further consumer pain.

These results echo the findings of previous research,

including CPRC's 2022 report From Search to Sale, which highlights the specific difficulties people face when purchasing property in Victoria.³

A relatively high proportion of housing complaints were not resolved. This may be due to a range of factors, including the complexity of the issues, difficulties with existing dispute resolution mechanisms or supply-chain problems in the building industry.⁴ Comments from survey participants show issues with access to trade services and anxiety about timeliness of repairs.

Figure 4: Home ownership and maintenance



Engaged a buyer's agent to purchase a property, paid half of the fee up front, and signed an agreement where it stated this half was not refundable. Down the track, I found out that he was misleading me, providing with false information, and tried to make a quick deal. I complained to him and requested to terminate the agreement with full refund due to his misconduct. However, he refused and the issue is still not resolved.

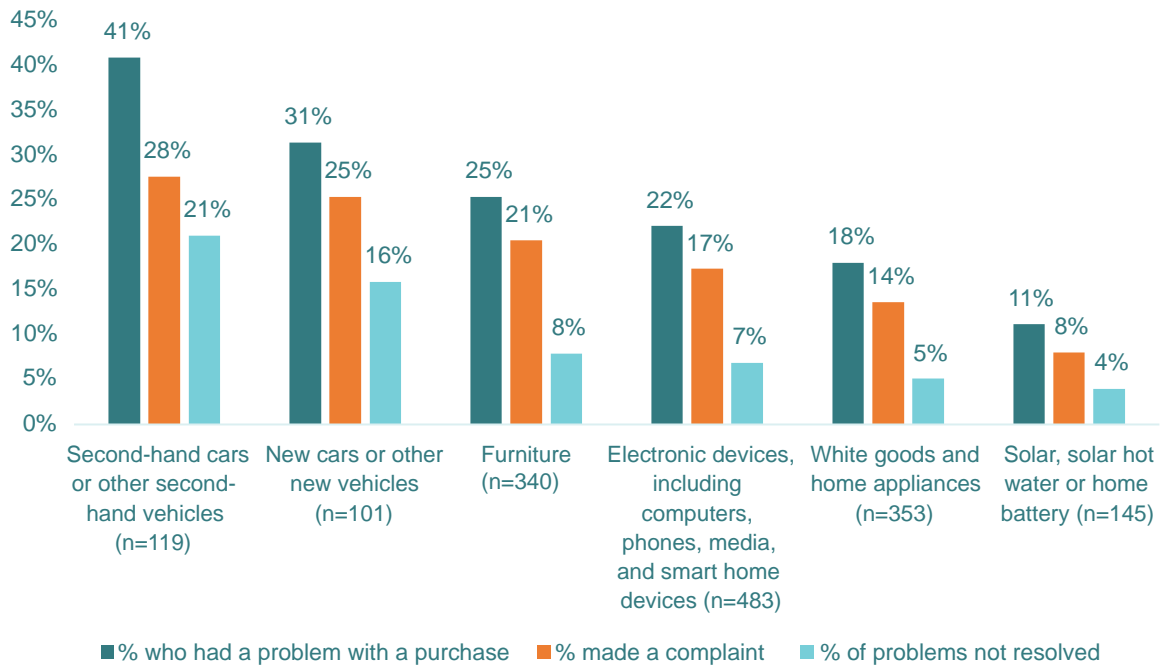
We have a problem with our roof. We have contacted many roofing plumbers and builders to come and look at the problem in order to make the necessary changes to the roof design but NO-ONE will come. They are all too busy or just don't come when they say they will. The roof will break soon and still no-one will come.

Big-ticket items

Our survey found that some of the most expensive products, new vehicles (31%) and second-hand vehicles (41%), caused major problems for Victorians. People who purchased a vehicle in the last 12 months were much more likely to have a problem than people with other big-ticket items: furniture (25%); electronic devices (22%); white goods (18%); or solar, solar hot water and home batteries (11%).

A significant proportion of problems with both second-hand vehicles (21%) and new vehicles (16%) were reported as not resolved or still outstanding. Vehicles typically constitute a household’s second largest purchase after a home – or the largest for people who are renting. These results indicate that current dispute resolution methods aren’t adequately supporting people with faulty vehicles.

Figure 5: Big-ticket items



We purchased a car from a dealer and the dealer made out as if the car was great and no issues. We later found that the air bags don't work. The tyres needed changing and the side-view mirror on the driver's side was defective. And after complaining multiple times, the dealer made some changes but they were only temporary.

Purchased blender/juicer from [major electronics retailer]. Had it delivered. It was faulty (was all smoky). Contacted [retailer] and they said, "The manufacturer will contact you." Took 3 months for [manufacturer] to contact me. They promised to send a new piece and that took 3 months to arrive because they kept stuffing up my address.

A personal laptop that failed was fixed under warranty. When the (seemingly) same problem recurred outside of the 12-month warranty, but within 12 months of the repair, the service level was non-existent.

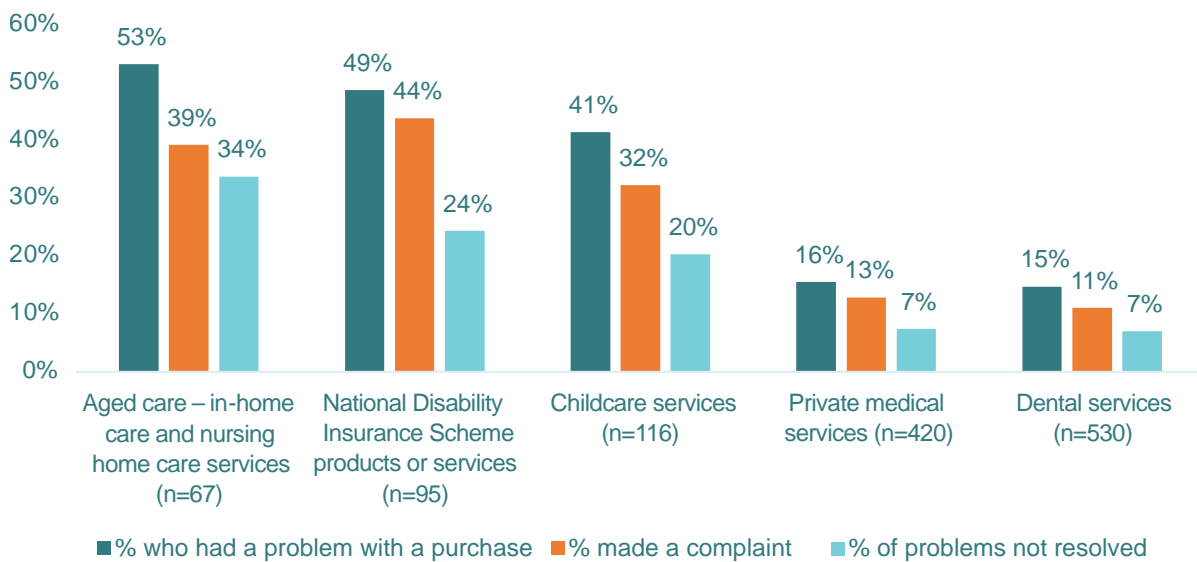
Health and human services

Complex human and private health services can be considered necessary purchases – required to enable everyone in our community to live full and healthy lives.

Victorians reported higher rates of problems in human services compared with other many sectors – with people purchasing aged care services, products or services within the NDIS, and childcare services having high rates of problems. Across all of these care markets, the consequences of a problem can cause significant harm or distress. Given this, it’s worrying looking at how many

people have unresolved problems with these services (over 20% for all three markets). Despite the rate of reported issues in these sectors, we received few detailed comments about the exact nature of the problems. This may indicate complex issues that people have trouble articulating in brief comments, sensitive issues not readily disclosed in a survey and/or general dissatisfaction with options on offer. Regardless, there is value in further research across these care markets to better understand the challenges people face.

Figure 6: Health and human services



Went to dentist for check-up. Dentist decided to clean and remove calculus from teeth without asking me. Ended up paying nearly \$400 for what was supposed to be just a check-up.

Two and a half years ago, I was told by an orthopaedic surgeon I would have hip replacement within 90 days. STILL waiting. Appointments given then cancelled. Questionable tests requested by hospital and refused. Multiple tests required (repeatedly).

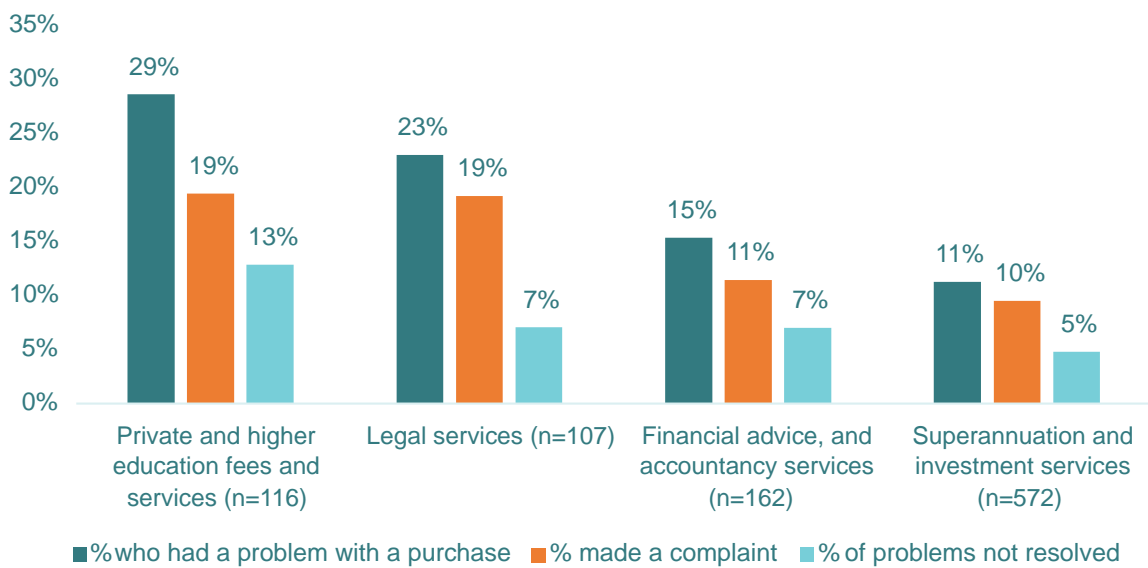
Professional services

Professional services like legal or financial advice are less frequent purchases for most people but are often required at key points in our lives. Problems with these services can have major life and financial consequences for consumers.

Victorians reported a higher proportion of problems with private and higher education services (29%) or legal services (23%) compared with financial advice

or accountancy services (15%) or superannuation and investment services (11%). It's worth noting that for some technical and specialist services, it can be very difficult for a consumer to identify if there is a problem with the service until something goes wrong, which may be many years down the track.

Figure 7: Professional services



I had an issue with a default superannuation fund my employer used, despite me advising where I wished my funds to go. The employer used my current Membership number (with the other fund) and, as a consequence, funds went missing from the account – no one knew where the funds were. After a lot of messages/phone calls to and fro, the funds have been located. This has been ongoing for some time. The employer has now located the funds and will be transferring this as per my initial (ignored) request.

Re legal issue – the lawyer did not listen. Used the firm because my mother used it. The staff had changed. Will never use the firm again.

Fast-moving retail goods

Fast-moving retail goods include everyday necessities (groceries, prescription medicines) and some purchases which, depending on the individual and the context, may be more discretionary (clothing and cosmetics). Many of these categories can be purchased or ‘consumed’ on a monthly, weekly or even daily basis – which might drive a higher likelihood of problems.

People reported a larger number of problems with food and drink for home consumption (20%) or clothing, footwear and fashion (19%) than other categories, such as prescription medication (10%) or toiletries, cosmetics, hair products and beauty appliances (9%). Looking at the comments from our survey, issues range from poor customer service to quality issues with products

Figure 8: Fast-moving retail goods



My problem concerns the purchase of an online e-gift card, which should be a simple process. Purchasing was fine but when attempting to use it, the link provided did not work. Had to contact customer service online to address the problem and had to wait for a reply. After two days received an apology and the corrected link to my purchase. Something that I should have been able to use immediately I could not due to a digital error.

Had some issues with purchasing food that turned out to be rotten when opened, even though it was in date. just returned to store and got a replacement.

I had a full head of foils and my hair was damaged. I didn't want to complain because I felt uncomfortable but I wish the hairdresser had have warned me that my hair could have been damaged.

A pharmacist was extremely rude and abrupt and refused to give me my prescribed anxiety medication. And he made a really embarrassing big deal about it.



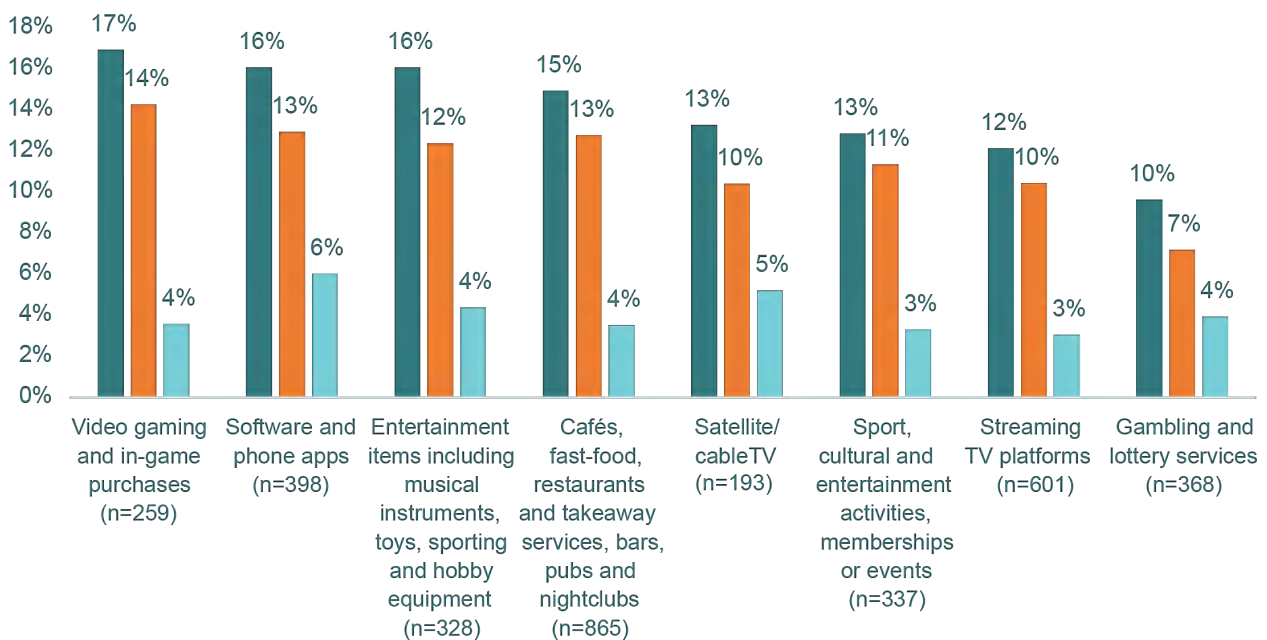
Entertainment, recreation and digital

This category groups together a range of entertainment services that, when they work well, provide enjoyment and social connection.

Our survey found there was less significant variation in the rate of problems reported and resolution among entertainment, recreational and digital products and services. Sectors with a higher rate of problems included

video games and in-game purchases (17%), while the lowest was gambling and lottery services (10%). Across all sectors, the proportion of consumers reporting their problem was not resolved or still unresolved was relatively low, ranging between 3% and 6%.

Figure 9: Entertainment, recreation and digital



In the [major platform] app, it said "start free trial" for an application. I clicked, started free trial, it came up as "buy now" so I figured I'd pay nothing. However I was instantly charged \$70 and it took forever for them to refund.

A restaurant cancelled an online delivery order and has not provided a refund. I had purchased with a Visa gift card and as the restaurant didn't return any of my emails or calls I tried to dispute the charge to get a refund. I went around and around, with them asking for the same information over and over, and they are now saying I haven't responded in time so the case is closed. The restaurant has since closed and I never got my \$50 back.

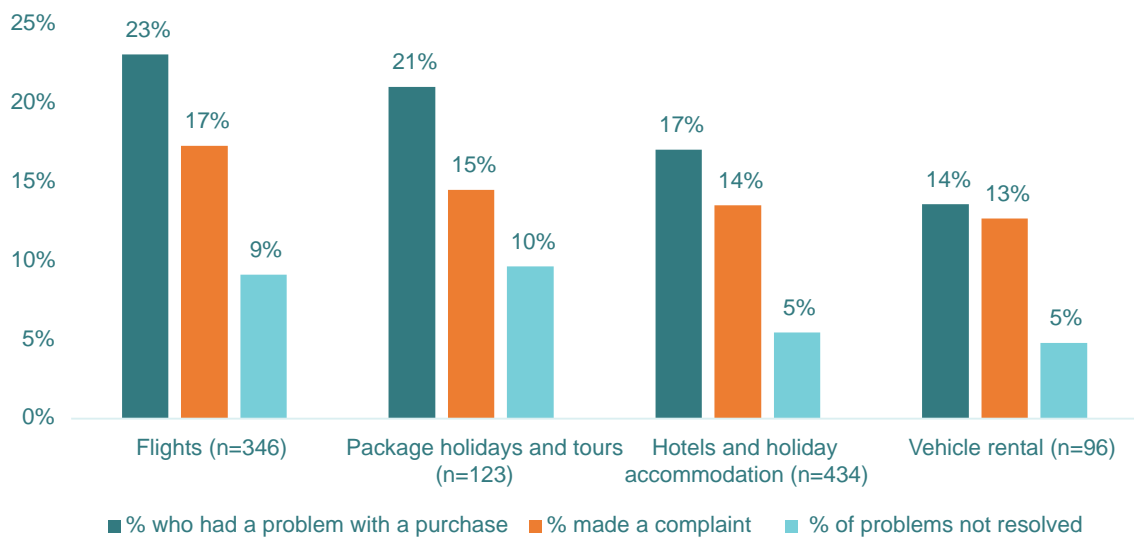
Hobby equipment made to order with payment up front. After 3 months, item did not arrive & supplier refuses to give the Australia Post Tracking Number. Cost is \$750. Supplier claims to have sent the item.

Travel

Travel is often a large expense, particularly for families, with high emotional investment and expectations. When things go wrong, people can be left in precarious positions, without quick and easy access to a remedy, especially when travelling abroad.

Flights (23%) and package holidays (21%) caused the most problems for Victorians who paid for travel in the last 12 months. Comments from the survey show that while some issues relate to post-pandemic travel, some complaints relate to people still struggling to get and use their refund from travel cancelled between 2020 and 2022.

Figure 10: Travel





A few months ago I went to Bali. On the way back home to Melbourne, my [major airline] flight was delayed an hour. Then after an hour it was delayed another hour. After the 2 hours the flight got cancelled. The flight was originally at 10pm. [Major airline] didn't organise accommodation for the night until 4am the next morning. The new flight home was then the following day but instead of being a direct flight back to Melbourne, the new flight was via Brisbane with an 11-hour stopover.

As part of a holiday a rental car was booked for me from Darwin to Broome. I ended up having to make an additional payment of \$1400 as a one-way charge which wasn't disclosed when booked.

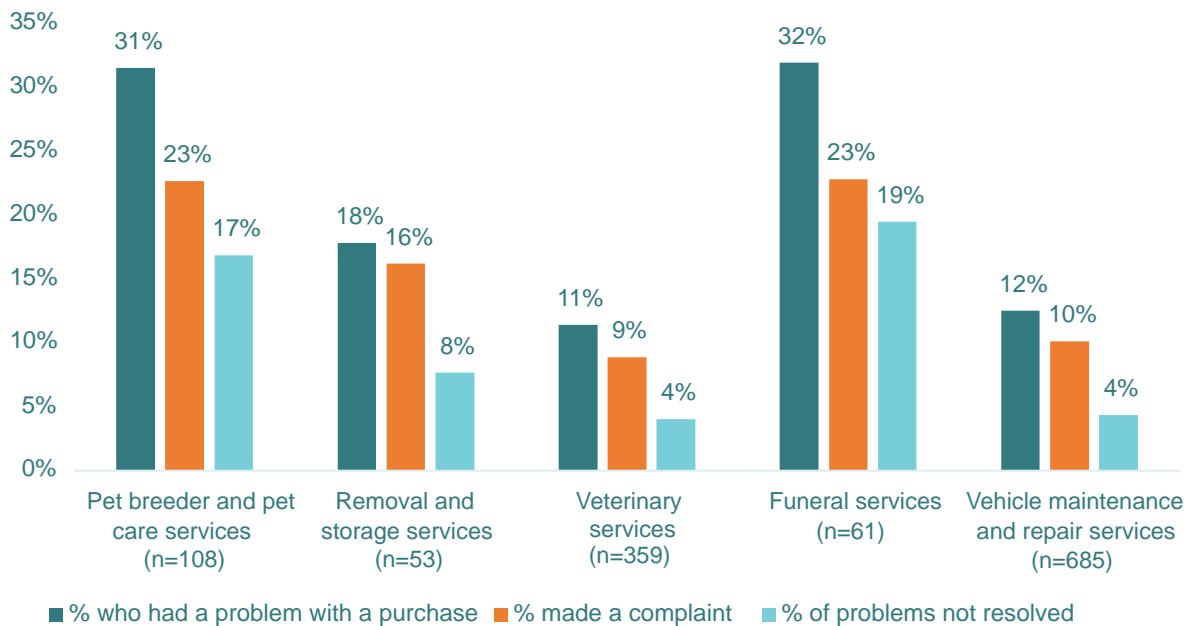
I had a trip planned for 2020 and received a travel voucher for use in 2022 but the airline is not flying from my home state so I requested a full refund in payment and I have been very upset with the way this has been handled. It has opened my eyes to using third party operators.

Other miscellaneous services

Some miscellaneous services stand out as more problematic than others – particularly, funeral services (32%) and pet breeder and care services (31%), both of which had high rates of problems not resolved or still outstanding (19% and 17% respectively). Again, we note that some of these categories had low response rates – only 63 people in our sample had purchased a funeral service and 53 people had purchased a removalist or storage service in the last 12 months.

Though the number of people who reported purchasing a funeral service was low in our sample, the high incidence of people with problems confirms findings from external work, including the Banking Royal Commission, the ACCC study on the funeral services industry and the Youpla/Aboriginal Community Benefits Fund collapse.⁵ Consumers engaging funeral service providers are usually grieving and also face significant time pressures to make what can be an expensive purchase.

Figure 11: Other services



I bought a puppy off a breeder. All the paperwork and the breeder said he was in perfect health. The first 3 weeks of having my dog, I was back and forth from our local vet as he was not well. And \$2000 later, he has allergies.

Re the issue of pet care. The town I live in, they had no vaccine for my cat. Phoned two other towns. Drove 1 hour there and back to get vaccine for cat.



Problems consumers experience – products

We asked Victorians to tell us about the nature of any issues they had with products they purchased in the last 12 months. Victorians reported issues with faulty items (13%) or issues with quality (13%). The other major theme was quality of customer services, with 14% of Victorians saying that they had issues contacting the company when something went wrong and 13% saying they received poor customer service.

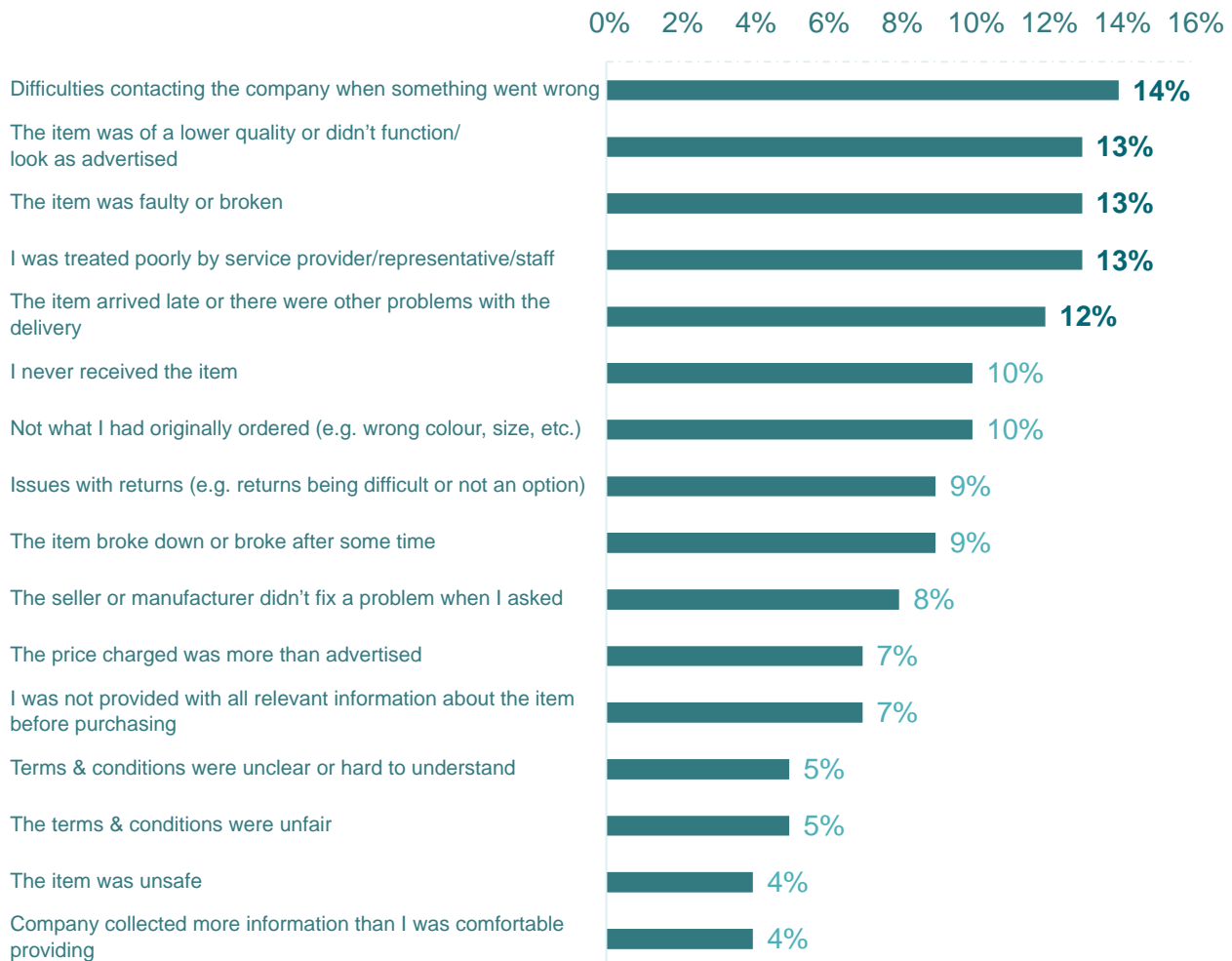
The comments from the survey show the frustrating situations people have to navigate when something they

buy doesn't work. People reported difficulty convincing companies to take responsibility and a range of challenges related to shipping and postage.

Some people reported being told that the issue they experienced with their product was not covered by a manufacturer's warranty and that they'd need to pay out-of-pocket for a fix. In many of these cases, people should still be getting a free fix. The comments point to issues with business compliance with the consumer guarantees under the Australian Consumer Law.

Figure 12: Problems with products

n=1498

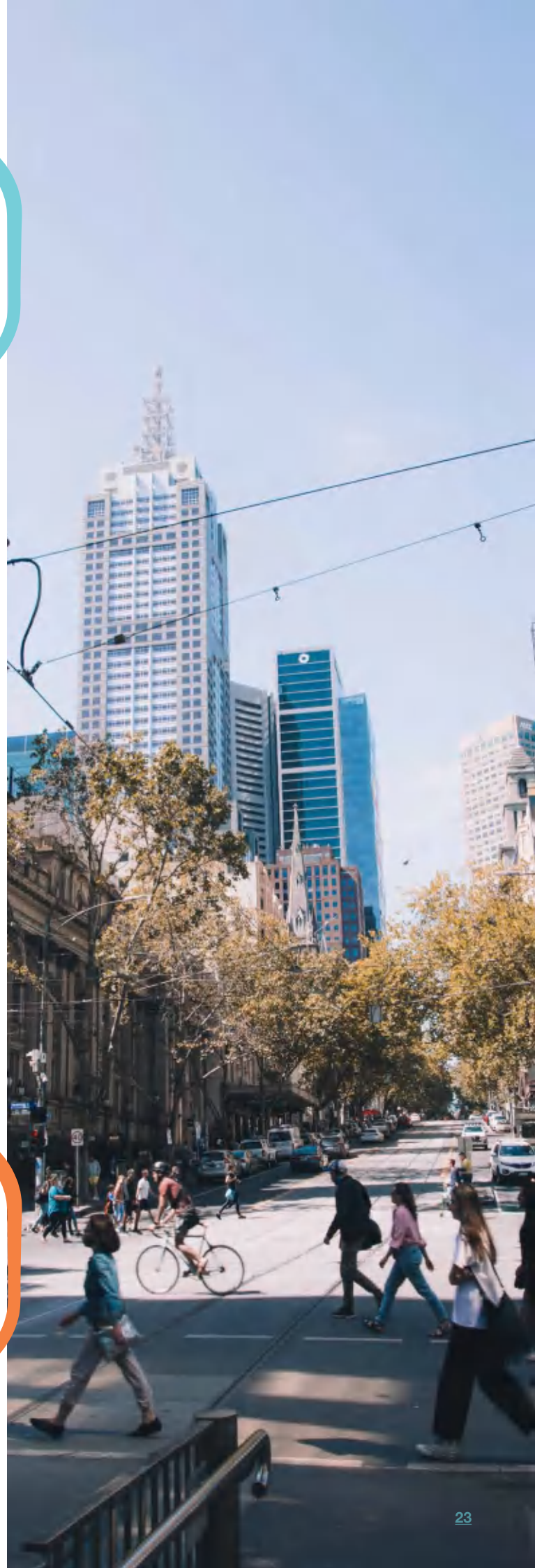


I bought a used car from a dealer. Very soon after purchase it developed a problem starting. As it was still under warranty I tried to get it fixed by the dealer. He said it was the key & I had to get it replaced. I did this. He said it was not covered by the warranty. The problem was not fixed. The car is with a mechanic to have the ECU replaced. It may take another two months.

My father-in-law went into [a major telecommunications company] to buy a new phone. He didn't really know what phone he was after. A sales rep came up and asked what he needed the phone for. He explained to the rep that he only really needed it to make and receive calls and texts. He needed access internet data for things like GPS but doesn't use his phone for much else. He was sold the latest, most expensive [phone model] and talked into a mobile plan he doesn't need.

A product arrived damaged and the company would not send out a new one unless I paid for the shipping for the damaged product and the new product, even though it was not my fault that I received a damaged product.

A parcel I was expecting was tracked to a sorting facility in Melbourne but got no further. I had to wait for the computer to notice it was not progressing, then for an additional two weeks to see if it moved. It didn't. A visit to the post office and their call to head office finally located the item. Still waiting for delivery though.



Problems consumers experience – services

We also asked people to tell us about the nature of the issues they had with services they purchased in the last 12 months. Again, we saw trends of issues over quality of services and the customer care provided when something then wrong.

Figure 13: Problems with services

n=1498



Booked home fencing work and paid a 50% deposit. Tradesperson didn't show up for work. Rescheduled. They again didn't show up. Asked for our money back and it took about a week and a lot of phone calls.

Faultily wired NBN connection. Took several months to receive maintenance attention, and that was only forthcoming after I lodged a written complaint to the Telecommunications Ombudsman. I had made numerous communications with the service provider prior to lodging with the Ombudsman, all of which resulted in empty words and NO service. They did, however, continue to bill me for a service that was frequently not working, but that is how this country works these days.

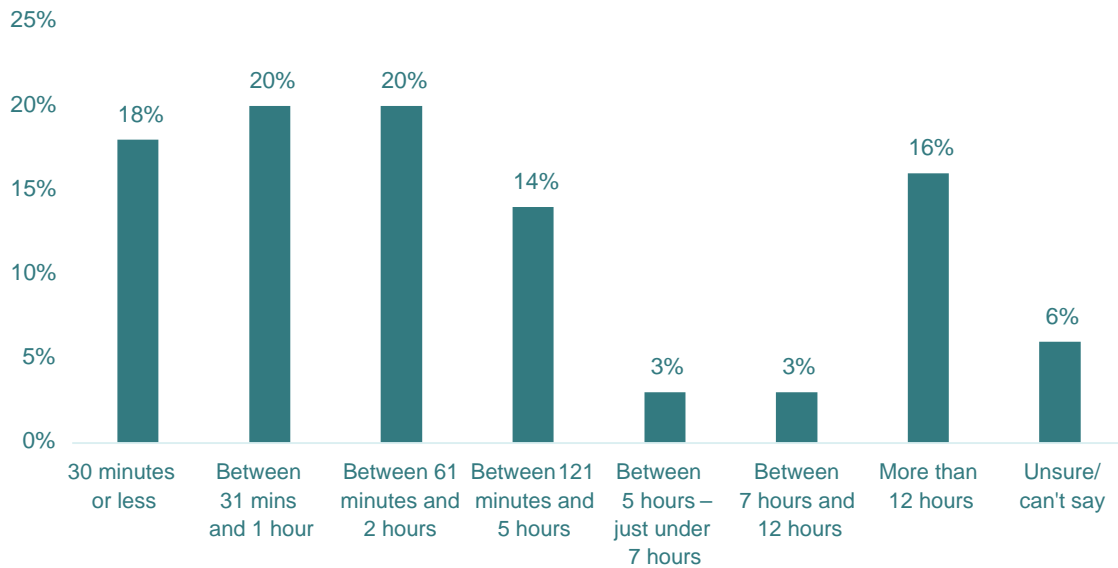
Caravan service person did not listen to service required and just went ahead and did what they wanted without fixing the issue. Ended up having to take the van elsewhere for repair/adjustment to resolve the issue.

Resolving frustrating issues

Our survey asked consumers how long it took to resolve the most frustrating issue they had with a product or service from the last 12 months. Nearly one in seven Victorians (16%) reported their issue took more than 12 hours to resolve.

Figure 14: Resolving frustrating issues

n=645



Wait times on telephones with banks and government departments. Recently waited 55 minutes for a bank to answer the phone and was then given the scripted reply: sorry for the wait time. This is not good enough. I wonder how those employed have the time to wait till these organisations decide to answer the phone.

Outstanding issue with an old credit card debt, had been unfairly treated by the company and they had not acted according to legislation. Needed to involve the ombudsman in order to resolve it. It was very frustrating, draining, and went on for a long time.

Merging my mobile bill and internet bill with the one provider after we added a new internet plan with the phone provider. Now 4 months on and complaint is still being looked at. Incorrect billing, incorrect name on the bill (my wife's rather than mine), overpayment charges when I have said I won't be paying till the bill is on the one bill and correct naming and services appear on it. We're getting there but sucks the time out of you.



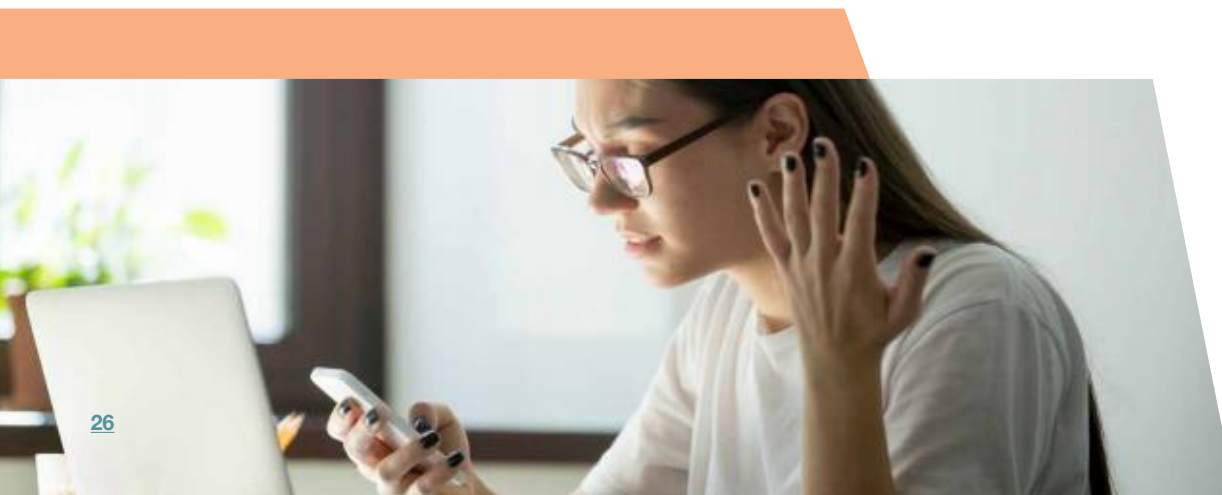
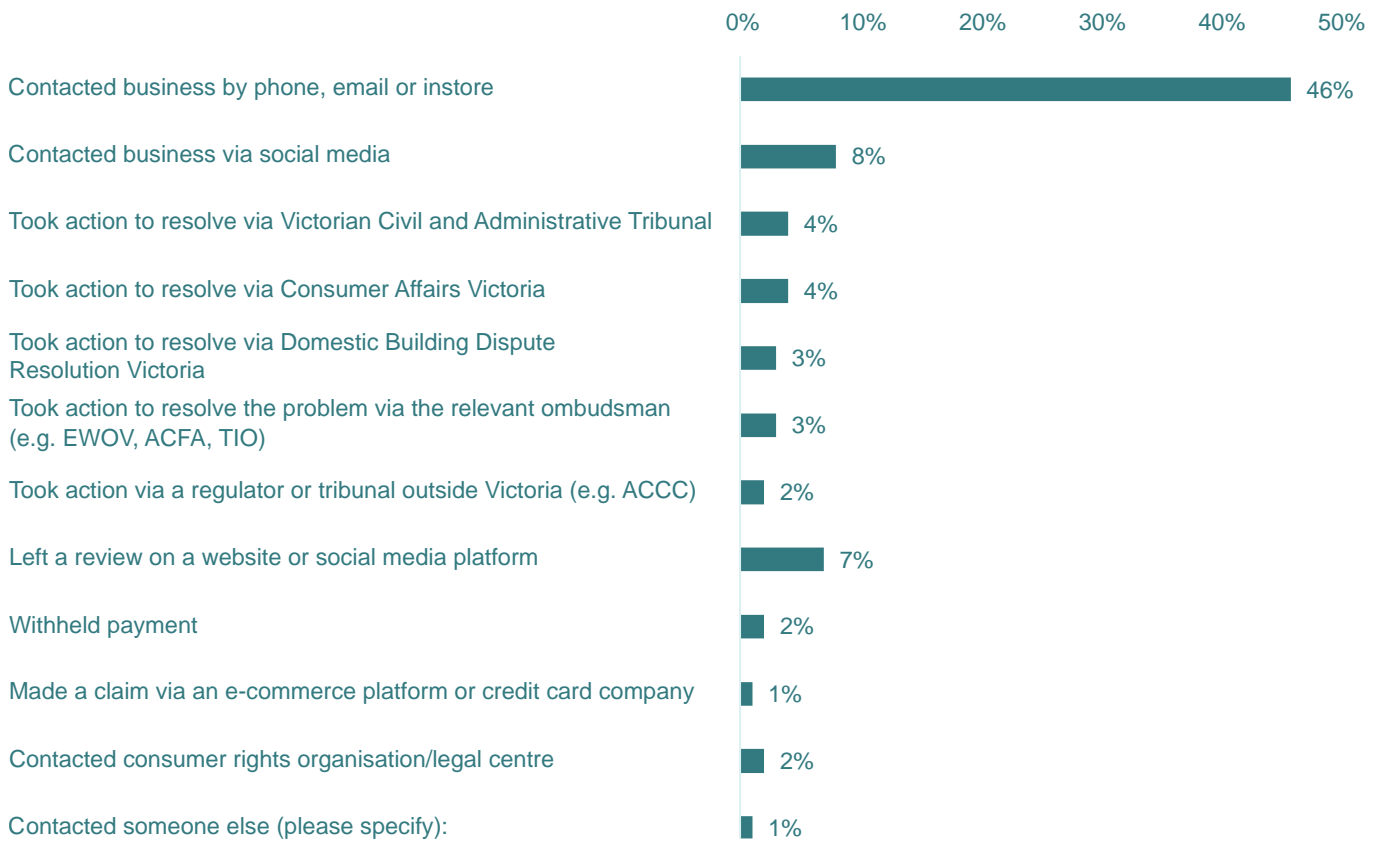
Resolving problems

We asked Victorians about what steps they took when they had an issue with a product or a service. Some people took none of these actions and some took several of the steps below. The results show how many Victorians took each action.

Most people with a problem got in touch with the businesses by phone, email or instore (46%). The next most common action was to use social media platforms to raise issues with businesses: 8% contacted the business via social media while 7% left a review on a website, or social media platform – in effect making a complaint via a public forum.

Figure 15: Resolving problems

n=1498



By comparison, relatively few Victorians said they used formal external dispute resolution mechanisms available to them:

- 4% of Victorians said they contacted Consumer Affairs Victoria, and 4% took action via VCAT
- 3% took action via the Domestic Building Dispute Resolution Victoria and 3% took action via the relevant ombuds service

For our new car, the dealer fitted the wrong towing power connector and refused to change it to the one we needed. This resulted in that dealer losing all our future business and we transferred our servicing to another dealer, all for the sake of a \$30 item.

Made purchase online, the product was faulty. Getting refund was time consuming and had to leave bad reviews to get the seller to respond.



Resolving problems – outcomes of action

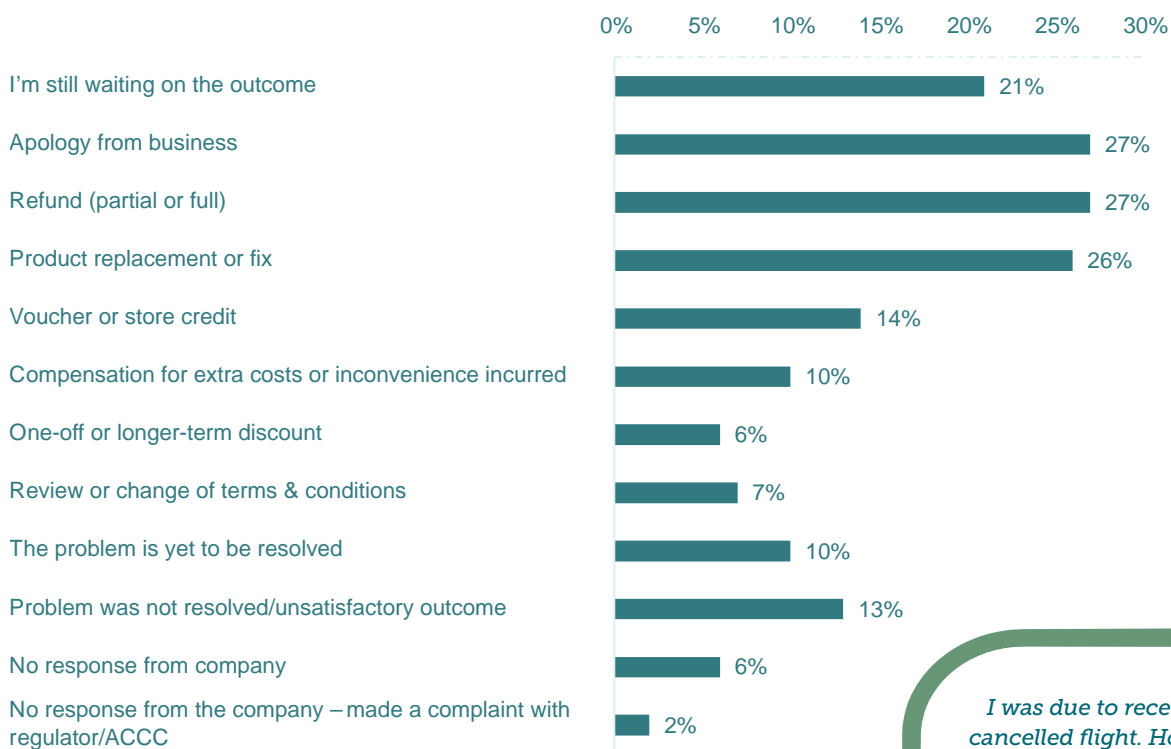
We asked people who did take action to resolve a complaint about the outcomes. Specifically, we asked people to tell us about all outcomes from all complaints they raised in the previous 12 months.

Just over a quarter of Victorians said they received an apology from the business (27%), a refund (either partial or full) (27%) or were offered a product replacement or repair (26%).

Though a large proportion of issues appear to have been resolved to some extent, 21% of Victorians reported they were still waiting on the outcome, 10% reported the problem wasn't yet resolved and 13% reported the problem not resolved/unsatisfactory.

Figure 16: Outcomes of action

n=858



I was due to receive a refund for a cancelled flight. However, the refund was sent to a card that I have already cancelled. It's been more than half a year and I have not received the refund from either my bank or the airlines.

I purchased a washer/dryer combo, but the dryer function doesn't work very well. Electrolux sent a repair person out a few times, but it still isn't really working. I think it's just a bad product. I thought about asking for a refund, but I decided I couldn't be bothered paying extra to purchase a separate washer/dryer. The dryer function has actually stopped working completely this past week. I'm waiting on another service to see what the problem is.



Resolving problems – reasons for not taking action

We asked people who said they didn't take any action to resolve a complaint in the last 12 months about their reasons for this.

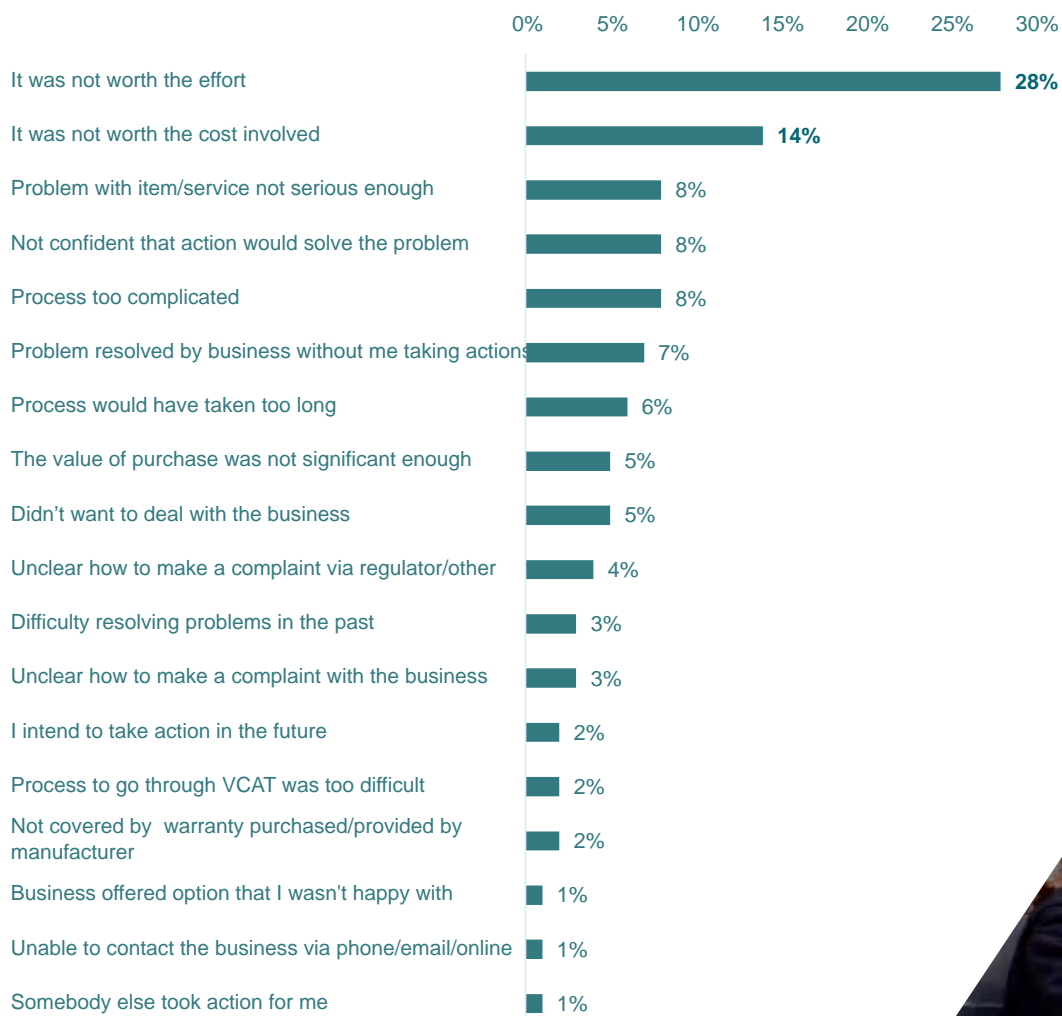
A lot of people said they felt that raising a problem wasn't worth the effort or cost involved. Others indicated they weren't confident action would solve the problem or the process was too complicated. This points to a need to look at dispute resolution options for consumer issues and

to address both the perception that complaints processes will be difficult and to improve the processes overall.

29% of respondents answered 'Other reasons [please specify]' (not shown in figure 16). Notably, a high proportion of open text answers indicate many respondents experienced no issues with products or services purchased.

Figure 17: Outcomes of action

n=633



Consumer guarantees

We asked people if businesses had given them any incorrect information or suggested actions that could mislead them about their right to a fair remedy when something goes wrong. We were very interested in whether people were told they needed to pay extra for an extended warranty (when rights under the consumer law may apply instead) or if the business misinformed people about their rights.

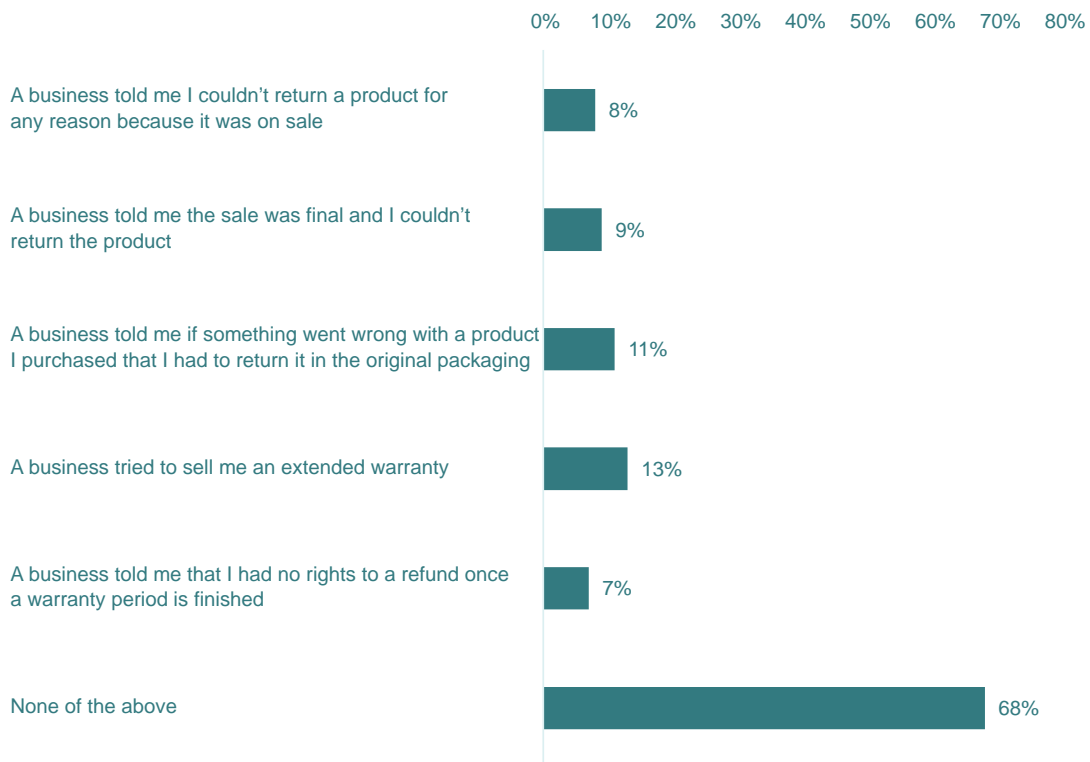
Our question design allowed respondents to report multiple consumer guarantee issues through multiple responses. 68% of respondents reported they had experienced none of the consumer guarantee issues listed – from which we can infer that 42% of Victorians experienced one or more consumer guarantee issues.

Too many Victorians are being given incorrect information about their consumer rights by businesses. For example, 11% of Victorians were told that if something went wrong with a product, they would have to return it in the original packaging – this is not a requirement and can act as a barrier to people using their rights.

Some people provided comments in the survey that indicated they were unaware of protections offered by Australia Consumer Law. For example, many people accepted that a business wouldn't help them outside of the short manufacturers' warranty period.

Figure 18: Consumer guarantees

n=1498



I bought an appliance which didn't work when I plugged it in when I got home. Went back to the store and they accused me of breaking it when opening the box. After escalating to management I was finally provided with a brand new appliance.

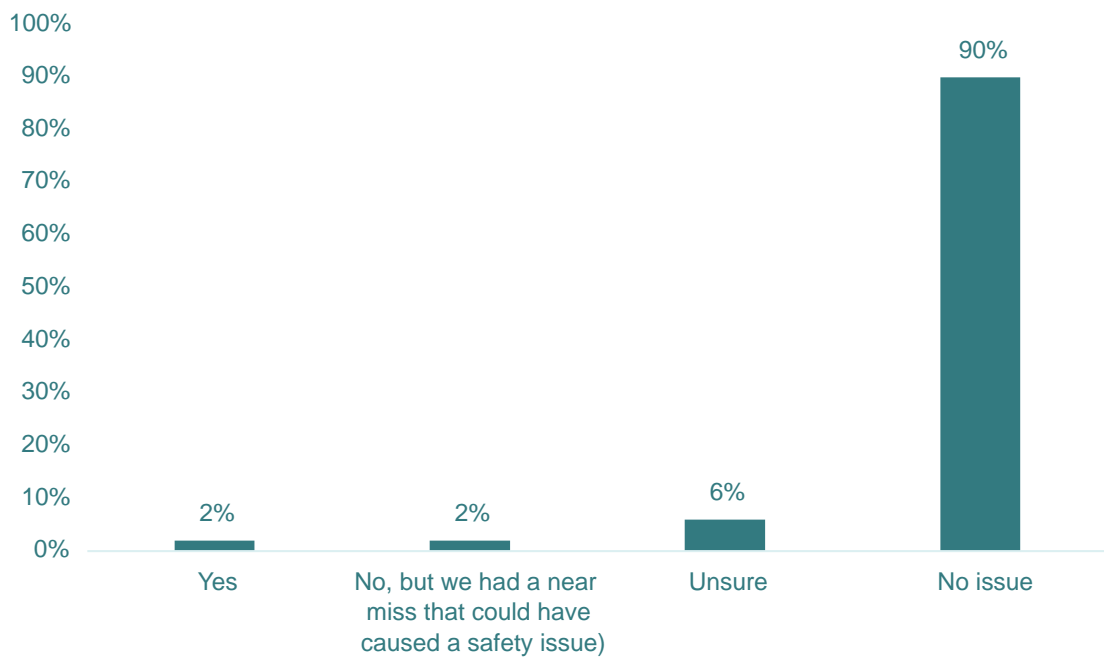
I bought a fridge-freezer with a 12-month warranty. It proved to be faulty and I had to have it replaced 4 months into the warranty. I then started having issues with it just outside of the original warranty and was told I would need to pay for repairs.

Safety

We asked Victorians if they had purchased a product which resulted in a safety issue or a near miss – something that could have caused a safety issue. Pleasingly, 90% of people said they had no safety issues.

Figure 19: Outcomes of action

n=1498



However, those who had had a safety problem or a near miss raised some serious issues. For example:

- A faulty electric cup-holder on a home cinema experience sofa
- A poorly fitting shower head that hit someone when it dropped off
- Problems with brakes in a van
- Severe rash caused by hair-removal cream
- A mobile phone that overheated and exploded
- Explosion on first use of a newly installed gas oven with glass door



Endnotes

¹ Lucas, Clay, 'People waiting years to have cases heard at state's 'timely and efficient' legal tribunal' *The Age*, 27 December 2022, accessed 22 April 2023,

<https://www.theage.com.au/politics/victoria/people-waiting-years-to-have-cases-heard-at-state-s-timely-and-efficient-legal-tribunal-20221223-p5c8gv.html>

² CPRC, *COVID-19 and Consumers: Sector Scorecard*, September 2021

³ CPRC, *From Search to Sale – Navigating the Victorian Property Market*, 14 May 2022 ,

<https://cprc.org.au/from-search-to-sale-navigating-the-victorian-property-market/>

⁴ Annika Smethurst, 'Housing minister warned of risks months before Porter Davis collapse', *ABC News*, 18 April 2023

<https://www.theage.com.au/politics/victoria/housing-minister-warned-of-risks-months-before-porter-davis-collapse-20230417-p5d12e.html>

⁵ Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry, 1 February 2019 – <https://www.royalcommission.gov.au/banking/final-report> ; Australian Competition and Consumer Commission, Funeral services sector – Competition and consumer issues, December 2021 – <https://www.accc.gov.au/system/files/Funeral%20services%20sector%20report.pdf>; Consumer Action Law Centre, Failure in Government policy sees First Nations peoples lose millions in funeral fund collapse, March 17 2022, <https://consumeraction.org.au/failure-in-government-policy-sees-first-nations-peoples-lose-millions-in-funeral-fund-collapse/>





Glitter.
Sparkle
& Shine

Love:
to life

DREAMAMA

HARMONY

