

AUSTRALIAN CONSUMERS IN THEIR OWN WORDS



**“YOU’RE ONLY AS GOOD AS THE DOLLARS
YOU’RE HOLDING IN YOUR HAND”**

CPRC is an independent, non-profit, consumer think-tank established with seed funding by the Victorian Government in 2016.

CPRC aims to create fairer, safer and inclusive markets by undertaking research and working with leading regulators, policymakers, businesses, academics and community advocates.

To find out more visit cprc.org.au

ACKNOWLEDGMENTS

Recruitment, facilitation of the focus groups and in-depth interviews were conducted by Quantum Market Research

REPORT AUTHOR: Kristal Burry, Policy and Program Director

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.

SUGGESTED REFERENCE:

Consumer Policy Research Centre, *Australian consumers in their own words*, June 2022.

CONTENTS

Introduction	5
Methodology	7
What is essential?	9
What is right for me?	10
Can I trust what businesses say?	14
Making sustainable and ethical purchases	17
What is fair?	21
The harm caused by poor customer service	25
Dispute resolution	29
Appendix: Detailed methodology	34



INTRODUCTION

In 2021 the Consumer Policy Research Centre spoke to people across Australia to understand their experiences and expectations of life as a consumer today. It is through speaking with consumers directly that we get a better understanding of their lives, what matters to them and the challenges they face. These insights should inform how policy makers design policies and regulations and how businesses structure their customer service or design their websites.

Australians are facing sustained cost of living pressures; at the same time, they are engaging in increasingly complex markets with a requirement to shop around to get a good deal. The people we spoke with are aware of how unfair their relationship is with businesses and want businesses to be fairer and kinder.









However, the consumers we spoke to valued the convenience they have, the speed with which they are able to access products and services and the variety of goods and services they can purchase, especially accessing markets overseas. They spoke of being spoiled for choice in some markets and things being better than they were in many respects.

“ *As a consumer in Australia, I feel like I’m one of many, like I’m a faceless number in a crowd. And you just feel lost a bit, in the sea.* Renter, Under 50, SA

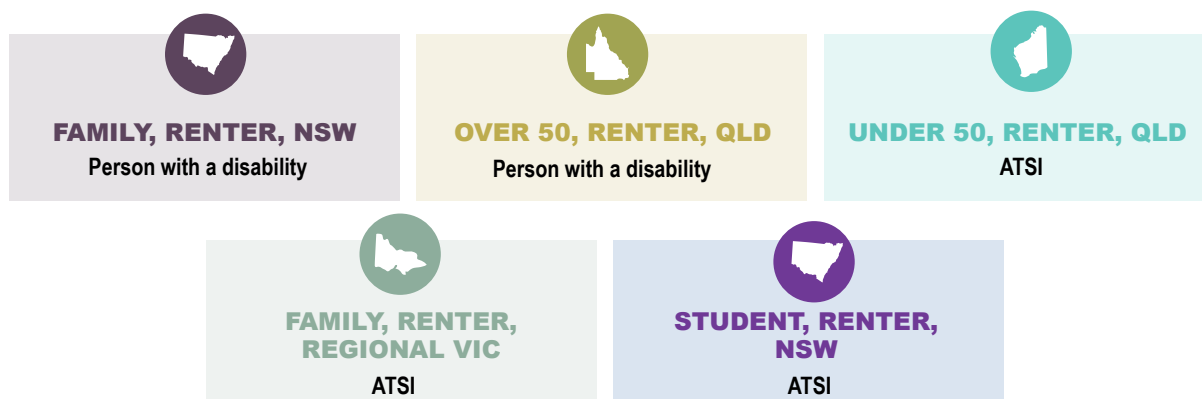


METHODOLOGY

This research was conducted over two phases. The first phase was conducted in June 2021, involving four focus groups to test and explore initial consumer themes. This was followed by the second phase in August 2021 with seven focus groups that delved into more details about consumers' experiences with businesses and what they consider to be essential. Each focus group was 90 minutes long with up to eight participants in each. Participants were recruited based on the following demographic or life stage characteristics to make sure we were speaking with a broad range of Australians across the country. Our research partner, Quantum Market Research, recruited and facilitated the focus groups on behalf of the Consumer Policy Research Centre.

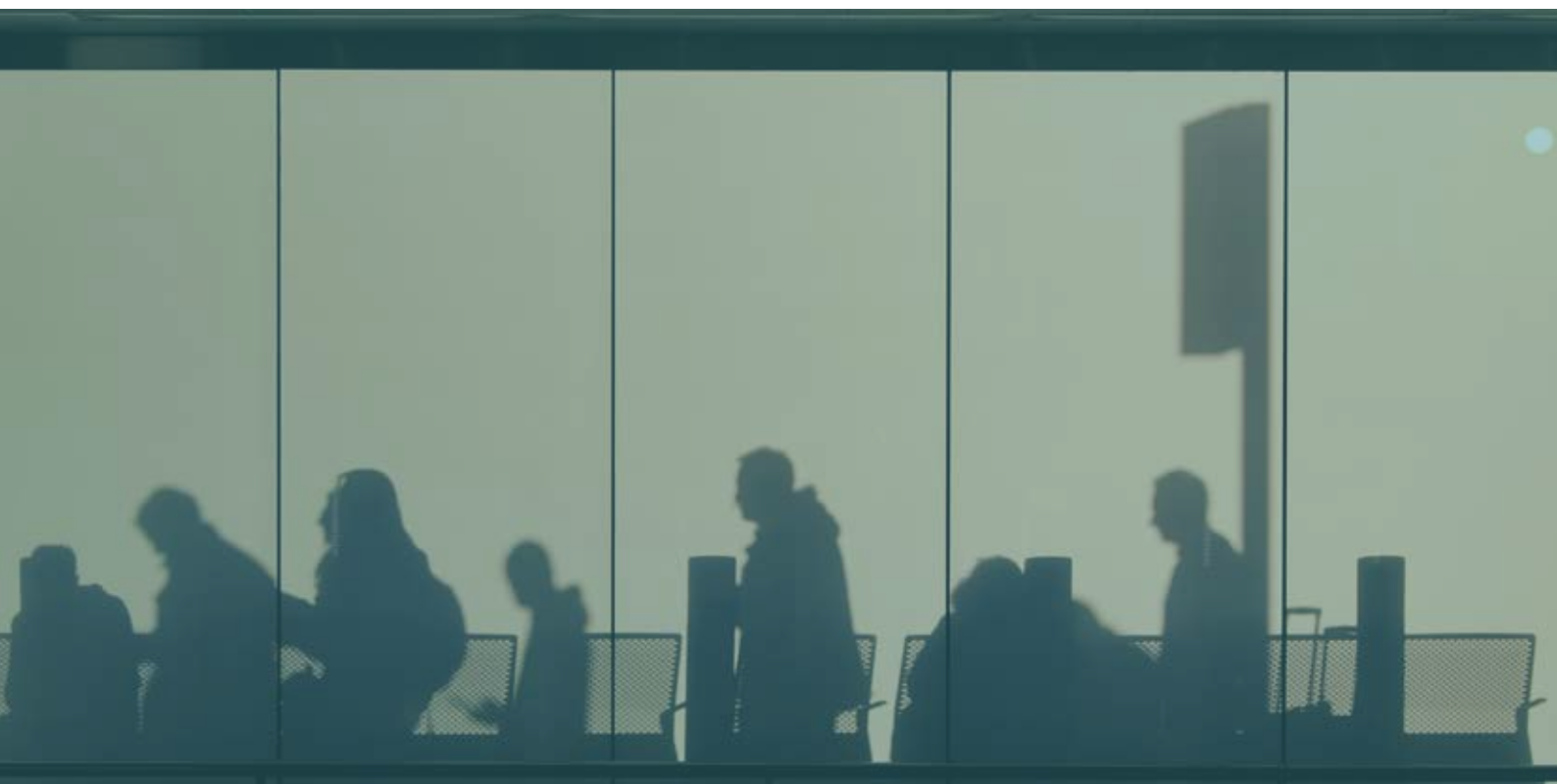
 CUTURAL AND LINGUISTICALLY DIVERSE (CALD), VIC	 OVER 50, QLD	 UNDER 50, WA
 STRUGGLES PAYING BILL, MELBOURNE OR SYDNEY	 LIVING COMFORTABLY, MELBOURNE	 CALD SUPPORTS A FAMILY MEMBER, NSW
 RENTERS, UNDER 50, SA	 UNDER 50, REGIONAL VIC	 RENTERS, REGIONAL QLD
 LOW INCOME, SYDNEY	 OVER 50, REGIONAL NSW	

In addition, five 90 minute in-depth one-on-one interviews were also conducted in August 2021 with people with a disability and Aboriginal and Torres Strait Islander (ATSI) consumers.



Participants in each focus group were asked a series of questions to generate discussion about life as a consumer in 2021. The focus groups were designed to explore participants' experiences, attitudes and expectations as they search, compare, purchase and use products and services that are essential – those they cannot go without. Opinions and experiences expressed by participants related to a range of consumer issues.

In addition, the focus groups explored how participants' experiences of making purchases and interacting with businesses impacted their life in both positive and negative ways (see full discussion guide in Appendix A).



WHAT IS ESSENTIAL?

We asked consumers to tell us what products or services were essential to their lives by asking what they can't live without. Understanding what consumers consider to be essential shapes the way markets are regulated and the strength to which penalties and enforcement are applied to businesses that breach those regulations.



Housing is 100% essential. Everyone needs to live somewhere. Under 50, WA

Traditionally, energy, water and housing are seen as essential, and telecommunications as non-essential. However, overwhelmingly the people we spoke to considered their phone and internet to be essential in enabling them to connect to their work, friends and family, while also being a gateway to other services such as banking and shopping.



I can't live without the internet, which is very obvious. Without it I can't do any work, research studies, shopping, banking. Everything. CALD, VIC



The mobile phone. If I've left the house without it I actually drive back. Whereas if I leave my handbag or my wallet, I'm fine. So for me? The mobile phone – it's something that's essential these days.

Living comfortably, Melbourne



I feel cornered. *Living comfortably, Melbourne*

The participants in our forums talked about how life as a consumer offers convenience and access to more products and services than they have had before. They talked about the benefits of the internet and telecommunications to connect with family, friends, school, work and to access products and services. However, for some it was seen as a double-edged sword. There was unease as people balance competing demands such as caring for family, work and navigating complex markets. They also spoke about the negative impacts of a life online – its impact on their mental health and how it detracted from time with family and friends offline.



You are literally just bombarded every day. Bombarded by advertisements because when you do a Google search, they now know what you like, what you need, what you want. The choice is endless, and I just get more and more overwhelmed by the day. CALD supports a family member, NSW



I wish I wasn't so hooked on the consumer rush, the thrill of buying something. It makes me vulnerable. It might be to do with how easy it is.

ATSI, family, NSW



There's so much going on in life. Being a consumer – it can really make you anxious. Trying to decipher whether you've made the right decision. For me, especially, I'm making decision for myself and my parents.

Over 50, QLD



Smartphones, they are a trap, and a blessing at the same time. And it's hard for us to find the balance. Because it all depends on how we feel in the moment. Because sometimes, I notice that when I'm tired, and I just want to relax, I spend more time on Facebook or YouTube, and watching cats, or happy kids, or music, or whatever. *Renters, Regional QLD*



We're wasting so much time flicking through websites, Instagram, Marketplace. This is not worth it. There might be a better bargain out there, but you tend to forget the things that are really important like spending time with your kids. *Under 50, WA*

WHAT IS RIGHT FOR ME?

Consumer views on choice and competition

Competition, contestability, and user choice have become key features of a number of essential and important services such as energy, insurance and banking. Many of the major reforms that drove these changes promised to bring better consumer outcomes. As noted in CPRC's previous work, many of these markets are not delivering for consumers and choice or contestability implemented poorly can cause consumer harms.¹

The participants in our forums recognised there were times where having numerous choices was beneficial. They enjoyed being able to search for something that fit their specific needs, made it easier to manage their time or take care of their families. Often people felt that where a choice was for a discretionary product or service the process of choosing was more enjoyable than when the decision was about an essential service or product.

¹ Martin Hobbs and O'Neill, 2020, *The experiences of older consumers: towards markets that work for people*, Consumer Policy Research Centre



In some aspects, I do think there are too many choices. But then I feel like there's quite a few specific things where I really wish I had more choices. I miss US grocery stores and seeing 50 types of hot sauce, for example. I want choice for things that I love. Under 50, Regional VIC



Choice can be really helpful when you are trying to cater for fussy children who have different needs. CALD, VIC



I think there are definitely a lot of choices, but I actually like it because when I've worked through many different options I feel a lot more satisfied with what I've chosen, if that makes sense. And that's why I like lots of choices. Living comfortably, Melbourne



There's never such a thing as not enough choice. The more choice the better. CALD supports a family member, NSW

However, the people we spoke with raised concerns about the impact of having too many choices and the time it took to work out what was the best option for them. They also reflected that the time they spent navigating markets isn't valued by businesses or rewarded.



Well, my time is worth money too. Renters, under 50, SA



When my car insurance comes up for renewal, I have the worst time because there are so many different bits to choose. It gets really confusing and you end up second guessing yourself. Over 50, QLD



Is this really worth my time and effort to keep searching through all this stuff? And half the time you don't understand it anyway. Over 50, Regional NSW



Our lives are busy. We all have our business life. We all have our personal life and then we have 'researching for the right product' life!
CALD, VIC



I think that it can get confusing when you're researching, whether it be car insurance, health insurance, gas providers, electricity providers. Because there's so many different off-peak rates and there's so many different peak rates and sometimes when you're looking at all these choices and they'll come back with 10 companies that have a price range and then you've got to delve into them and then the services aren't like [for] like. So, it's fine having all those choices, but I suppose if the service provider if they could knock that down, instead of having 10 providers come back to you, have the top three providers that made sure that they are like for like. *Living comfortably, Melbourne*

They also reflected on the limits of choice. When our focus groups spoke about the impacts of market concentration and the impact of monopolies and duopolies, they felt the choices available in those markets were not authentic or empowering to them as consumers. In these circumstances it can result in extra time required to make a decision or leave consumers paying more for their products or services.



A monopoly or duopoly stinks because it might mean you're stuck with two not great options, and it's actually beneficial to have lots of options. When you don't [have] options it can be really challenging and you can be stuck with something that you wouldn't want. *Regional VIC*



Monopolies, that is not a real choice. For example, back to electricity or Telco, they don't present us with the real information or information that is easy for us to understand. Under the circumstances, that is not a choice. *CALD, VIC*

Even where there appears to be multiple choices, due to market structures it can mean there is only one feasible choice, or there is a single parent company which can leave consumers feeling like they don't have an effective choice.



It feels like there's just oodles and oodles of choice, too much choice. But at the end of the day, in a way, it's all an illusion because it comes down to... they're all owned by the same people, a lot of them. But the choices are there, but they're not really as well. Like at the top of a totem pole, it's the same people making the decisions for all the decisions we make. *Renters, under 50, SA*



With competition and that, some areas it is oversaturated, some areas we're not. ...yes, there are 101 different mobile phone providers and plans that you can get. But for example, with my work, I can only use Telstra, because Telstra have a lot better coverage.... my work takes me around the country and so Telstra is the only provider that I could use. There's no real competition for me. I mean that's the thing you see, there's supposedly competition in the telco sector and that but where is it? *Under 50, WA*

Many participants spoke about the overwhelming information they faced when making decisions between products or services and how this may mean they fail to make a decision or regret the decision after the purchase. Both could result in consumers paying more for a service or product, or being left with a product that does not meet their needs.

“ You get a bit of FOMO sometimes. After you make the decision, you start thinking if you’ve made the right choice or not. It creates a constant battle in your head.

Over 50, QLD

“ The one thing I wish that there was more choice, would be things like the power company, and the gas companies. Because in Toowoomba we only have one power company, and it’s Ergon, and that’s it. If you don’t like it, too bad, pretty much.

Renters, Regional QLD

“ You can get to a point of analysis paralysis, where you end up pushing off making a decision because it’s all too overwhelming. For the average Joe, the process [is] such a long one and it’s easy to get stressed out. Over 50, QLD

“ Dealing with all of this, it causes a lot of stress, which then starts to overflow and effect other parts of your life.

Struggled to pay a bill, Melbourne or Sydney

“ Complex products, like insurance or a superannuation funds are almost impossible to choose from. Researching the right one, in terms of availability, quality, price, etc. can take a really long time and still, you can have no idea. You can feel like you’re wasting time, which can be frustrating CALD, VIC

“ I think it got easier in terms of going and getting things, but it’s harder mentally because you’ve got so much to choose from. So, I guess you get mentally tired looking at varieties of things and I don’t know, sometimes you end up getting the wrong things because there’s so many varieties and you might pick something that really you don’t need.

Living comfortably, Melbourne

Some of the participants in our study felt that having too many options can erode the quality of the final purchase.



When you're flooded with quantity it can actually be harder to find quality.

Renter, Regional QLD

Where competition is effective, consumers do see the benefits as businesses compete for their sales; they however want to see those same benefits extended to all customers.



Yeah. I actually don't mind when companies do offer these flash sales and you can get a better deal. So I tend to be a value seeker and the fact that you can see there is some sort of discounted offer for a limited time only, I will purchase or sign up to a service. The only one thing I would say it is generally the hot offers, particularly like with credit cards and stuff, energy reserved for new customers only. If the same offer could be extended to existing customers that would make it a more even playing field. *Living comfortably, Melbourne*

CAN I TRUST WHAT BUSINESSES SAY?

Consumer trust helps brands build their reputation and should be seen as an asset.² When trust is eroded it impacts both businesses and consumers. Many of the consumers we spoke with struggled to trust information from a business or doubted it would genuinely benefit them.

The people we spoke with raised concerns with the complexity and length of terms and conditions. They were worried they might end up agreeing to something they didn't understand or feared terms may be harmful to them. They also raised concerns about not having the ability to challenge the terms when they had already agreed to them. This resulted in feelings of immense stress and anxiety for consumers. In 2020 CPRC found that 94% of Australian consumers did not read all of the privacy policies or terms and conditions they came across in the previous 12 months. Of those consumers who did read them, 69% accepted them even though they weren't comfortable with them. The main reason for doing this was that those consumers felt it was the only way to access the product or service (75%).³



All the information might be there, but it will be hidden in fine print in an extraordinarily long contract that nobody really actually reads ...because you would be reading them your whole life if you did. If I sign up for any kind of service, there will be a very long terms and conditions thing that usually tick without reading. And yeah, it's all there. Of course, they've put it in the contract, but I haven't read it. *Renter, Under 50, SA*

² Bozic, B 2017, *Consumer trust repair: A critical literature review*, European Management Journal, 35: 538-547

³ Consumer Policy Research Centre, *Data and Technology Consumer Survey*, December 2020



It's probably why I get overwhelmed as well. But I think along the lines of what everyone else is saying, sometimes it's difficult to trust some things that have been put in and there's always little asterisks to everything. So, when they do put those little asterisks. I do read what that little catch is just because getting caught out, especially someone who's still a student and are quite tight with money. Sometimes it can be really devastating to make the wrong decision. *Struggled to pay a bill, Melbourne or Sydney*



There's a lot of small print that I get stumped on at that decision-making point. *Living comfortably, Melbourne*



Companies are always trying to find ways to sneakily keep the money coming out of your pocket and into theirs. For example, any Google Play app that you download will be a subscription automatically, unless you select the tick box to not make it a subscription and just do a one-off payment. And sometimes, they want you to pay a full year in advance. And that's just one aspect of life. There's plenty of examples exactly like that. *Renter, Under 50, SA*

The people we spoke with noted it can be difficult to determine the quality of service and quality of products which impacted on how much they trusted the business or service. This was especially true for online shopping where they were unable to touch the product to test the quality of materials or try something on.



A little bit, and if you're buying goods or whatever, you're trusting, I suppose a little bit that the quality's there, it's a bit different to... you get that even when you go to the shops, but, it's arm lengths removed. It feels like it. So, you're trusting that quality's there and it's not always apparent. *Over 50, QLD*



I think there's also a general mistrust about if you're being scammed or if the retailer itself is being deceptive and that's not really for the more mundane kind of products. If going to Woolies, I wouldn't be really concerned with getting deceptive items, but when it comes to the more obscure items...getting car insurance, you really have to do your own research. You can't really go out and just [trust] the decision of the retailer in especially nowadays. *Struggled to pay a bill, Melbourne or Sydney*

Consumers look for additional methods to identify good businesses or products. Often this is either a referral from a friend or family or other consumers through online reviews on the company's site, comments on the company's social media accounts, comparator sites and other review collation sites. However, this can come with risks as many people are not able to determine if a review is fake and may not be aware of how review sites can be gamed to skew results or boost fake five-star reviews.⁴

⁴ Martin Hobbs B, 2019, *Online reviews: A guide not a gospel. When it comes to online reviews, Australian consumers must be extra careful.* Consumer Policy Research Centre



In addition to the reviews, I probably look at comparison sites and more trusted sites like Product Review and actually trying to find Google reviews. You can find trusted reviews upon Google. You can find more trusted reviews upon Product Review, for example, where they're not only just the products [but] for services as well. And online forums, there's a lot of forums on Facebook. There's another one, White Pages forgot the name, but they have those online blogs where there are communities which are dedicated to, for example, telecom, electricity providers, cash providers. But there's a lot of good discussion from people like us. We can get a sense. And it's also based on personal experience or you speak to your friends about, 'have you tried that company or not, how it's been for you?' Struggled to pay a bill, Melbourne or Sydney

Many of the people we spoke with were sceptical of how honest businesses were and they felt like they were being marketed to rather than being provided with an honest representation of the brand's quality or principles. People told us that at times this left them unable to make decisions because they were left with a high level of confusion or a feeling that they may be compromising their personal values.



I think that there's just so much hollowness to a lot of the things that companies say they're about. And a really great example of this is that with all the protests in Black Lives Matter, there's been so many companies that have been posting "Black Lives Matter", but then if you look at where their products are coming from, they have the most unethical standards and are using very exploitative labour, but yet they're still willing to make money off of that statement. So just distrust and hollowness. Renters, under 50, SA



I'm never sure about what I'm being told about things. I find myself questioning everything, sometimes I'm stuck not being able to buy what is on my shopping list, because I can't trust what is on the packaging. It's a feeling of cheapness, and emptiness. All the mistrust and the volume of marketing and waste. If I had megabucks and time maybe things would be different, but I have to trade off. I'm left with emptiness. Companies make the world we live in a powerless one for consumers. It's tiring to try and be insistent on living to your own integrity. They make it hard.

Person with disability, QLD



Makes you sort of become more informed... with things online, because whilst yes, there is a marketing overload and advertising because obviously they all want to fulfill their sales targets and get the business and stuff. At the end of the day, people have that option to look up stuff online, look up independent reviews, look up what other people think about products and stuff like that before buying them. Under 50, WA

However, some consumers we spoke with were motivated to become more informed to avoid being taken advantage of by what they considered to be poor business practices. Some have become more confident in being able to interrogate the information a company is providing; they told us this helped them in their decision making.

MAKING SUSTAINABLE AND ETHICAL PURCHASES

Consumers are aware of how their purchasing decisions impact on the environment and the labour force used to make the product.⁵ Many want to make more ethical purchasing decisions; however they often feel they don't have the adequate or correct information to make these decisions. There are many barriers in place that inhibit consumers to make ethical or sustainable purchases, explaining the gap between consumers stated preference and their actual purchasing behaviour.^{6,7}

The primary challenge our participants raised was the difficulty in identifying genuinely ethical and sustainable products and companies. Some of the people we spoke with felt it was easier to search for information about a company or product online than in-store as 'you're not standing there googling companies in the aisle of the shops'.



Basically, whether it's online or within Australia, we should have more of a standard that they can use to tell us where it's coming from or what it is... across all products, that we just have a generalised standard that we can go, "Okay. The majority of that's from here, or not".

Renters, under 50, SA

5 EY 2021, *Sustainability isn't what it used to be*. https://www.ey.com/en_au/future-consumer-index/sustainability-isn-t-what-it-used-to-be

6 Grunert K, 2011, *Sustainability in the Food Sector: A Consumer Behaviour Perspective*, International Journal Food System Dynamics 2(3): 207-218

7 Joshi T and Rahman Z, 2015, *Factors Affecting Green Purchase Behaviour and Future Research*

Directions, International Strategic Management Review 3: 128-143

“ *The companies do have a responsibility to make sure that products are sustainable.* Under 50, WA

“ *I think that people are starting to be aware of this stuff, but yet it's almost impossible to find out if what you're buying is ethical or not. I've written to companies and I've asked them, "Can you tell me where the cotton is from that your clothes are made from?" And I never get responses. So I feel like it's just so confusing to make an ethical choice.* Renters, under 50, SA

“ *It's never easy to find out about the whole supply chain of a product. If a company is actually sustainable it is usually a lot more forthcoming in promoting the full product lifecycle. Vice versa, it's usually a sign that they're not sustainable if you really have to dig deep for this information.* Over 50, QLD

Some of our participants felt that there was enough information to support them to make sustainable choices and that by using their purchasing power they could help pressure businesses to improve their practices.



And in terms of being concerned about the environment, you can specifically purchase from people that are environmentally friendly or whatever. And yeah, you can do your research, you can look at a product and open another tab in your browser and Google reviews or whatever.

Renter, Under 50, SA



But I feel particularly a lot of younger people I talk to are really into that and they're really worried about what's happening in the world. But how can we make better choices that actually contribute to the kind of greener, cleaner future? And one of the ways is by doing your research and trying to find brands and companies that are actually not just talking the talk, but walking the walk as well. So I guess if more people get on board, it'll become more commonplace. *Under 50, WA*

Regulators in both Australia and the United Kingdom (UK) are increasingly investigating greenwashing claims and potential misleading conduct from businesses. The Australian Competition and Consumer Commission (ACCC) has identified this as a priority for 2022/23⁸ and the UK Competition and Markets Authority (CMA) has increased surveillance on businesses and their use of sustainability terms to ensure they are not breaking laws.⁹ Participants in our forums spoke about the difficulty they had verifying if a claim is true. While others in the focus groups were concerned that businesses were using consumer interest in sustainability and ethical shopping as marketing terms to generate sales but were not acting on those claims.

Even if packaging or business claims are not technically misleading and deceptive, practices that overstate environmental benefit can erode consumer trust and could lead to consumers no longer seeking out sustainable or ethical products.¹⁰ This could reduce the capacity for consumers to apply pressure to business to improve their practices and can make it more difficult for businesses with sustainable practices to effectively communicate that to consumers.¹¹



Companies are just using sustainability as a marketing tool these days. You have to really look into each company to see how legitimate their claims are. It's very difficult to ascertain if it's a correct statement or not.

Over 50, QLD

⁸ ACCC, 2018, *Restoring electricity affordability and Australia's competitive advantage Retail Electricity Pricing Inquiry—Final Report*

⁹ Competition Market Authority, 2021, *Green claims code: making environmental claims*. Guidance for businesses making environmental claims in the UK <https://www.gov.uk/government/publications/green-claims-code-making-environmental-claims>

¹⁰ Steenis N.D Herpen E van, Lans, I.A van, Trip J.C.M. van, 2022, *Partially Green, Wholly Deceptive? How Consumers Respond to (In)Consistently Sustainable Packaged Products in the Presence of Sustainability Claims*. Journal of Advertising.

¹¹ *ibid*



I think that that word can be really vague. And I think it's used a lot more nowadays, you see it popping up in brands and new brands and companies, and I think unless they spell out what they're meaning by sustainability, it can be, in my opinion, I think it can be a little bit of the greenwashing type thing, because I think a lot of people like younger people, especially look for those buzz words when choosing a company to buy from. And I think if I see that I'd like to know more. I wouldn't just necessarily pick a company because it says sustainable. I'd read further into that before I was going to make a decision based on that. Under 50, WA



Seems to be a big buzzword these days used as a marketing tool, "sustainability", "ethical", it seems to be the big buzzword. That's what they need to do to get the business. Under 50, WA



Companies definitely need to be cognisant of the damage they cause. It should be a sliding scale when it comes to their duty to minimise damage. They don't have a duty to completely remove the damage but it is a balancing act. For less essential products, there is a need for companies to be environmentally sustainable. People don't 'need' to buy a diamond so they can afford to be picky with companies and their approach to sustainability. For essential products where there is less choice, like petrol, companies can get away with not being as sustainable because consumers need the product. There is also less guilt for the consumer because 'they have no other choice'.

Person with a disability, QLD

However, for some consumers making sustainable choices involved tradeoffs. Some preferred to support local businesses as a priority and others needed to purchase the most affordable option as they balance costs of living pressure.



It's all well and good to say, "be sustainable", but it's bloody expensive. Struggles paying bills, Melbourne or Sydney



But if there comes a choice between a sustainable thing that's made elsewhere over a small business, who may get their things ... elsewhere that isn't sustainable. I would choose the small business. Renters, Regional QLD



I know there are healthier, more sustainable options out there, but the reality is I don't have access to that. I learned early on to prioritise my rent money and it means that my other options are limited.

Person with a disability, QLD



It's disappointing when you can't buy sustainably because everyone should be entitled to this. Regional QLD renters



“ Budget is tight and can only do what we can do. If it comes to feeding and clothing, my family, or buying something that’s more sustainable, unfortunately, I have to choose the most affordable option. Renters, Regional QLD

“ They’re marketing on our time poorness. When you’re rushed at the supermarket, you don’t care about being extra sustainable for example, you just get what you can. Even if there are better products out there, you’re not always buying them. Renter, Regional QLD

WHAT IS FAIR?

Consumer expectations of businesses



There's no brand-loyalty with anything really these days, especially like when you've been a long-term customer... 20 years ago, brands used to reward customer loyalty quite frequently, and you'd get discounts and stuff based on how long you'd stayed... Bottom line, it's not much and all the money and all the advertising is all in attracting new customers rather than retaining old customers. Renters, under 50, SA

The people we spoke with recognised they paid more for utilities and services, like insurance, if they stayed with the same provider long term and find this practice unfair. The so-called “loyalty penalty” is an issue across many industries. It has been an issue that has been the subject of reforms in the National Electricity Market but has not yet been as widely examined in other markets in Australia.



I think companies should reward loyalty. Like if I'm with a company for certain number of years, I'm investing in that. They should find a way somehow to reward it, so that I stay with them and I feel valued as a consumer. Living comfortably, Melbourne



I also think the marketers think they're being smart and go, "90% of the people won't even look at their bill, analyse it or get back to us. So we'll take that bet." But then when people find out like I have before, I've gone, "This is just a rip off." And even though you have been loyal, you just go, "Screw the company. I'm going somewhere else." Over 50, QLD



Yes, there are choices, but once you've made that choice, you're locked into that choice. And then when there's all these other choices, you're not rewarded as a loyal customer for making the right choice. So, I find that I'm penalised for being a loyal member. Living comfortably, Melbourne

In 2018, the ACCC Retail Electricity Price Inquiry (REPI) found that customers who do not switch and not move off the standing offer paid more for their electricity. The ACCC recommended removing the standing offer, and implementing a Default Market Offer (DMO) – which would effectively cap retail prices of non default contracts also know as standing offers, in an effort to protect customers who do not engage in the retail market.¹² While the DMO and in Victorian the Victorian Default Offer (VDO), have since been implemented, there remain concerns about how effective the retail energy market works for consumers especially those who might have more challenges engaging in the market.¹³

¹² ACCC, 2018, *Restoring electricity affordability and Australia's competitive advantage*, Retail Electricity Pricing Inquiry—Final Report

¹³ Esplin, E Best, R Scranton, J Chai, A, 2022, *Who pays the loyalty tax? The relationship between socioeconomic status and switching in Australia's retail electricity markets*, Energy Policy, 164

In the UK, focus on the loyalty penalty has extended beyond energy debates. The CMA undertook a specific review of the loyalty penalty after a super complaint from Citizen Advice, examining several essential markets. They found consumers were paying more if they remained with a company and just rolled over their plan. The CMA recommended a package of reforms targeting five markets as well as cross-sectoral recommendations to improve enforcement against businesses that adopted a loyalty penalty.¹⁴



And I think the worst thing about pricing is that when you say you're going to change provider, then they come up with this absolutely magnificent price and you're like ... you're only going to now offer me this price because I'm leaving? it's like there's no benefit [to] loyalty. That's what they're saying to you. We don't care that you've been with us for 20 years. We're going to charge you the most that we can until you tell us you don't want to be with us anymore. Over 50, QLD



I would say transparency. Of course, customer service is there, but transparency. If I'm with some company on the lower rates, I think it's a lower rate, but then down the line, if the company reduces the rate and I'm just being loyal, I'm not checking on them or checking on any other companies just being with them for years and years. And at the end I find out that I've been ripped off. Like the rates are actually... they've changed it, but I was not informed. They should just keep informed the existing customer also, while they are marketing for new ones.

Living comfortably, Melbourne



And you just feel lost a bit, in the sea. But yeah, there's that, but then there's also the feeling of... you're only as good as the dollars you're holding in your hand, so it's like it all comes back to the money. There doesn't seem to be much value for loyalty as a customer or anything other than money, I suppose. Renters, under 50, SA

The ACCC also found that some retailers were selective with the types of customers they offered inducements to stay too, seeking to retain those customers that help increase the value of the customer base through a number of strategies to slowly increase the margin received from this group over time.¹⁵ Some of the people we spoke with were able to negotiate a lower price by asking for one, but others were turned down when seeking a lower deal. They were left with the feeling that it seems to be a matter of who they spoke to on the phone that day if you were helped or not.



You can ring up and just be like, "Hey, I've been with the business for like five years. Can you just apply that to my account or whatever?" And they'll be like, "Yeah, sure," because they can, but they just don't because you don't ask for it. Renters, under 50, SA

¹⁴ CMA, 2018, *Tackling the loyalty penalty*, Response to a super-complaint made by Citizens Advice on 28 September 2018 <https://www.gov.uk/government/publications/tackling-the-loyalty-penalty>

¹⁵ ACCC, 2018, *Restoring electricity affordability and Australia's competitive advantage Retail Electricity Pricing Inquiry—Final Report* page 143

Consumers recognise they have been put in the position of being required to spend their time to drive costs down. This on top of all their other responsibilities adds to the pressures and stress people feel navigating markets and complex decisions.



Person A

At the end of the day, it's up to you to save your own money now.

It can work to your advantage.

Person B

If you're good with money.

I think some people aren't good with budgets or spending money and things like that. Some people can just do paying a lot of money for little service and not be aware, and I guess that's where they rake in the money, the big businesses.

Renters, under 50, SA

Many people told us that loyalty should be seen as a positive for consumers and businesses. People tend to make recommendations to friends and family based on good experiences. They make repeat purchases as they have prior understanding of the kind of service they will receive. They think this should have value to businesses and should be encouraged.



A lot of the customers are quite loyal. We talk and we pass it to family and friends.

CALD supports a family member, NSW



I monitor my utilities every 3-4 months just to be confident that I am paying the right price. I use some comparison websites and sometimes it results in changing providers. One time I was changing my gas provider. Normally I call or use the chat to speak to the current provider and ask if they are willing to offer me a better rate to stay. This time the provider said a plain no, so I left. A couple weeks later, when they received the switch over notification from a new provider, they called me and asked if they could offer me anything to stay. I just thought that this was not fair treatment of their customers. I left anyway. CALD, VIC



I feel like that puts the onus back on the customer though, then to shop around and we're actually doing all the work chasing what makes our money work best. It should be loyalty rather than having to spend each year checking our insurances and aren't being taken for granted.

Renters, under 50, SA



So you are having to negotiate constantly because you are a loyal customer. It just doesn't make sense to me. Over 50, QLD



Yeah, and that I touched on before comes back down to brand loyalty. As much as I dislike Apple products, I would always buy an apple product because I know what's in it. It's going to cost me more money... if you buy a computer, "What chipset did they use in it?" There are just so many variables if you're buying a generic PC these days, you just don't know what.... Whereas, I guess with Apple, they always back up their products, they go over and above. I know it's going to cost me more, in the end of the day, but I know that I'm going to get something that's going to work how I expect it to work. And I know that after sales support and service is going to be there. Over 50, QLD



There are some brands though that do it well. It's like if you have been a loyal customer, you do see the benefits, but 90% of companies and shops and everything these days don't really acknowledge all that.

Renters, under 50, SA

Some older consumers we spoke to also recognised that because of their current life stage they were less likely to move homes and this meant they were not engaging with the market as often as younger consumers who may move every 12-24 months. Because of this they recognised they were not the focus of the marketing or customer acquisition process.



I think part of that as well is the aging process. I gather we're all in approximately the same age group and we're probably a lot more stable and we don't move so often. So we're not being marketed too, I suppose.

Over 50, QLD

THE HARM CAUSED BY POOR CUSTOMER SERVICE



When the provider wants to get a hold of you, it's instant. But when it's the reverse, it's impossible. I was left on hold for five hours and I'm no longer a customer. Over 50, QLD

The people we spoke with expressed frustration at the difficulties they had contacting businesses. Some of these challenges included lengthy waits to speak with the provider, needing to speak to multiple agents to resolve an issue or get the right information. They also spoke about the challenges of finding the right details to contact a provider.

Often consumers find themselves spending hours to resolve issues at the expense of other activities such as work or they give-up and make do with a higher plan or a faulty product.¹⁶



And if there's any issue, they want you to use chat, they're not going to answer the phone. So you start using the chat, but obviously it's a bot that picks up. When the bot realises it can't solve the problem, it'll pass you on to the other team. Then you have to identify yourself again and then they're like 'it's a technical issue' and they'll pass you on to the third team and then you identify yourself again. By that time half the day is gone and you're trying to work at the same time. I find that very frustrating, so much so actually, I've just stopped contacting them and just make do with whatever. I seriously want to move on from them. That makes me really, really, angry. I feel like I don't change because I'm just worried about any gap in my connectivity. With uni and work and everything I don't want there to be any gap. CALD, VIC

The participants in our focus group described the negative impact of poor customer service has on their mental health and mood. Poor customer service is essentially businesses shifting the costs of resolving issues back onto consumers. We know from the Australian Consumer Survey, it costs Australian consumers \$16.31 billion a year to resolve issues.¹⁷ Poor customer service is not only frustrating, but also results in costs exceeding the purchase price, contributes to eroding trust in providers and can impact on a consumer's decision-making process.¹⁸



The challenge of contacting providers definitely causes a bit of stress and anxiety. It puts you in a bad mood. You might be having the best day until you make that phone call. Then it takes you so long and you don't get your problem answer. You end up being in a rotten mood for the rest of the day and don't want to talk to anyone else.

CALD supports a family member, NSW

¹⁶ Citizens Advice, *The Domino Effect. Exposing the knock-on effects of consumer problems.*

¹⁷ EY Sweeny, 2016, *Australian Consumer Survey 2016*, The Treasury, on behalf of Consumer Affairs Australia and New Zealand

¹⁸ Martin Hobbs B, 2020, *Picking Peaches: Service quality in the Victorian energy market*, Consumer Policy Research Centre



Painful? It's slow and painful. And particularly during lockdown, it's been unbearable to get hold of anyone to do anything. It's ridiculous, when they want to get a hold of you, when the bank, when you've overdrawn, they're on it, two minutes, you're getting your calls. When you need to get a hold of them, it's a whole rigmarole and the excessive information confirmation once they do get hold of you takes like 20 minutes. Can you just repeat your name, your date of birth, your age, your single status.

CALD supports a family member, NSW

There was a feeling among those that we spoke with, that companies purposefully made it difficult to find a contact number to resolve an issue. Instead of providing a phone number, customers were told to use an online form or chat bot to contact the business.



They don't put their number purposely. So, you're not complaining or getting your refund. It's infuriating sometimes. *CALD supports a family member, NSW*



What I've been finding, I think over the last two years, more so, is that we're being pushed to go online to contact companies ... more so than the old way of ringing up on a telephone and talking to someone. Most companies now which I've noticed in the last six months even escalated more. "There's a website. Contact the website, if you want, and send an email." You can't talk to them there and then. *Over 50, Regional NSW*



I think it can sometimes be time consuming to get through, but what frustrates me probably more than anything is that certain companies now are actually cutting off the ability to speak to agents and you can only resolve a customer service query through a digital interaction, whether it be web chat or emails. So, I think there's been an improvement in customer service, certainly in the service-based industry Australia, but it's the communication methods that they choose. The fact that voice has been cut off is frustrating. *Living comfortably, Melbourne*

The heart of why this was so frustrating to the people we spoke with was that they felt it would be easier and quicker to resolve an issue if they could just pick-up the phone and speak with someone.



Can you imagine you're on a chat where, because they have no more customer service? There [are] no humans. It's just all algorithms online. Can you imagine they're telling me after a week or two? I think it was almost a fortnight. "Oh, sorry. Go ring PayPal now. We can't resolve your item because it's 30 days." If I was to speak to them on the phone that would've been resolved immediately. But because this chat is so slow and you can't get your point across, they are not understanding where you're coming from. It is extremely frustrating. *CALD supports a family member, NSW*



My preference is still communicate via telephone rather than some of the other mediums, particularly the web chat. I find that can sometimes be frustrating and things can be lost in translation. *Living comfortably, Melbourne*



Time poor. It means that you've got limited time to do tasks. If it takes 10 times longer than you think it might take, it's incredibly frustrating. You might have somewhere else to be or you hadn't anticipated that time. You can't get to it. Then you've got to find another time, when you can't think of another time, where you have five hours to spare. *CALD supports a family member, NSW*

Some consumers have noticed a difference in how easy it was to contact a business depending on whether they are an online business or have a physical presence. Moreover, many consumers are now using social media to hold businesses to account or to contact them directly when other methods have failed.



I think for the service that are purely delivered online, like technology-based services, it is a lot easier to contact providers. The problem is with the traditional service providers that make you wait on the phone for ages. They say you can email them, but this never leads to a resolution. One thing that I've noticed nowadays is that Twitter is holding companies to account. If you have a concern you can reach out to their Twitter handle. If you raise a concern on Twitter, then somebody messages back within like half an hour. *Struggled to pay a bill, Melbourne or Sydney*

Where participants in our forums had joint accounts or helped family members with their accounts, they found it can be difficult to establish authorisation to speak on their behalf and this can delay seeking help or information.



I think it's fine, but I think perhaps, I understand where the company's coming from. It's just the approval process. Obviously, I'll have to be the authorised person to have a chat, to help my Auntie in those circumstances. Once it's approved, it's on the system, I don't really have a problem. But for those that, if I'm not with her as such as right now, that could pose a bit of a problem. I guess if the company could be a little bit more compassionate or be more understanding of times we are experiencing right now, that would definitely improve the experience.

CALD supports a family member, NSW



I think I was going to say I've had instances where, even though I've had a joint account with my husband and I'm on the bill or the, whatever it is, and if I call up, they say, oh, you're not the main account holder. You can't do anything. Your husband needs to be the one that calls, which is just incredibly frustrating, even if my name is on there. Then if he doesn't have the capacity to do that, then I give up. *CALD supports a family member, NSW*

We asked participants in our forums what they wanted from the businesses they interact with. Many expressed wanting a more personal experience and a kinder approach. They also recognised that while the nature of how they buy products or access services has changed, they still want those transactions to be simple and easy to navigate, and where websites or online contact methods are used they make things easy.



Different aspects of this as well is they probably change their perspective of good customer service. Which is the face that before we used to think about the face-to-face aspect of it. But now with online buying and so forth, good customer service or so means quick delivery. And it also means simple websites or simple apps and the simplicity side of it like that. So, companies have to think more and more about what good customer service is and what helps us.

Under 50, WA



I had issues with Telstra during lockdown, I was spending days on the phone, talking to people, having them repeatedly tell me what their version of my problem was. I guess what I'm getting at is that there's this sense of loss when you don't have a relationship with the provider. I get lost in this big sea of different voices and different procedures, it creates this sense of powerlessness and frustration and time waste... there's no sense of dependency or accountability from them. *Under 50, Regional VIC*



I think you really notice now when you have a good experience, because they're so infrequent. A lot of companies like phone companies and whatnot (apart from Apple, the Apple store model is good!), they just offer over the phone now, or little chats on the internet. It's just so impersonal and you just sort of feel like you're just a number, you're just money in the bank for those companies apart from certain companies, like I said, Apple, I feel like that must be a part of their marketing strategy or whatever, and you feel like you are a little bit more important, at least when you go into the shop, they're so busy. But I would say I notice when I have a good experience now, because I feel like it's so rare. *Under 50, WA*



I want to feel that personal connection. It's nice when someone actually listens and isn't just trying to sell you something. *Under 50, WA*



I've noticed, particularly in service-based industries now, as no matter when you call up, the first thing you hear is, voice recorded a message about, "there's congestion at the moment, that peak time, and it's going to be a long wait." It's almost like that's the standard response now you receive when you call service-based industries. So, maybe flipping that and maybe having some positiveness cause that's not exactly what consumers want to hear when I called.

Living comfortably, Melbourne

DISPUTE RESOLUTION

Access to redress and effective dispute resolution processes are a critical part of the consumer protection framework. There are several pathways for consumers to seek redress, depending on the issue they have. Effective internal dispute resolution systems and access to free and quick external dispute resolution bodies are essential to securing fair outcomes for consumers. Dispute resolution needs to be simple and timely, otherwise many of the consumers we spoke with said they would not continue to seek a refund or challenge a fee if it was too costly or complex.



It's the same thing whether it be a refund, whether it be an issue with service, whether it be wanting customer service. Needing help, especially. That's the worst bit. Generally you're not ringing them to have a chit chat. You're ringing them because, "I need help. I've got a problem." I need to resolve something. I need to fix something. It's not about, "I'm just ringing you to find out, 'How are you doing today? How's the weather wherever you are?'" CALD supports a family member, NSW



I forgot to pay my Optus mobile plan. The late fee was \$30 which I thought was unreasonable – but if it costs too much to complain, in time or money, I won't do it. I resolved this by switching to Telstra once the plan was up. Person with a disability, QLD



I recently bought some clothes online but two items didn't arrive. I called them up and asked if the clothes were coming. They said that there was a shipping mistake but that they no longer had the items so they couldn't send them. So obviously I asked for a refund. I waited a while but never got the refund. So, I called them, and they said "Yep, yep, it's coming, I just had to wait a few days to let it process". Three months later, I still don't have the refund. I call them up again and they say the same thing. So, I wait. Three months go by, again nothing. I think I had to wait 9 months before I finally got my refund! And I had to go through 5 conflicts on the phone with them, where I kept relaying the situation, sending emails, requesting to speak to the supervisor. I did everything I could. Struggled to pay a bill, Melbourne or Sydney

As noted in CPRC's report *The Digital Checkout*, the nature of how consumers shop is changing and the rate with which consumers access products or services has increased, especially over the pandemic.¹⁹ For the participants in our forums, they admitted that because some of the products they purchased were cheap, it meant they were less likely to return products because the cost of postage was too high or the process too difficult.



I have bought so much stuff online in the last year, and I haven't returned any of it. And there's been stuff that I would not have bought had I been in the store and tried it on or whatever, absolutely. Renters, under 50, SA

¹⁹ Consumer Policy Research Centre, *The Digital Checkout*, December 2021



I would say that with things you get sent in the post, so say you make your purchase online and then you get it sent to you, I feel like people, in general, might be less likely to return it if it's not quite right, because it's sitting there in your house. It's an effort to go to the post office and send it back, so I think you get a bit lumped with things you might not normally accept. But I've become quite determined not to allow that to happen, so I do return things when they don't work out for me. Renters, under 50, SA

Some of the consumers we spoke with also found seeking redress for online products more challenging because it took them longer to identify who to contact for a refund or they had to navigate if the business or the delivery service was responsible for the problem.



Often when you're buying stuff online, dealing with the platform. For me, Amazon, Catch... they're really good to deal with, but it's actually the carrier companies that are nightmare. Stuff goes missing and you can't find it. No one responds. That can go around and around in circles a bit.

Living comfortably, Melbourne



Definitely. I brought something off Facebook. It was a little car charm thing. Went through PayPal. Thank goodness. I brought it back in December. I am still waiting for it. I emailed them. It was just like a support email. I was going backwards and forwards, backwards and forwards. Every two weeks, they kept telling me, "It was on the way. It was on the way." I told them I was going to report them to PayPal. I was going to put on Facebook that they were shonky. Eventually I just rang Facebook. Sorry. PayPal. Lucky, I did, because one day later I would have been past the 180 days that you have to put in a complaint and retrieve your money. Over 50, Regional NSW



Before, you used to go and try things and would be happy with what you had. Whilst there are so many opportunities to return things, it is really hard to return things you don't want online. Before, you used to go to the store and get your money back. Now you're having to contact providers online, prepare the return with the right receipts in postage labels and then wait. Especially when it's a new company you haven't bought from before, you're always wondering if you will get your money back. Over 50, QLD

We found some of the people we spoke with adopted strategies to hedge against the risk of failure or faults with the product or service, especially with online purchases. They were more likely to make a purchase in person for products they had less familiarity with or where the costs of repairing or replacing a faulty product were higher.



I very rarely buy an electrical item online because I'm always worried about being able to take it back. I mean, we've had four deliveries this week, but all the stuff I buy online is stuff that I know is a fair chance it's not going to break, or it's not that big a deal if it breaks, it's not an expensive item. Any of the big ticket stuff, 99% of the time, I'll then go to the shop and buy it. Because I feel like I've got half a chance of getting an outcome if it breaks.

Under 50, Regional VIC

For many of the people we spoke to, the costs of getting it wrong could be high in terms of financial impact, stress or not having access to essential medications or dietary requirements.



I can get really worried about the logistical errors of not getting what I ordered online. I'm not very tech-savvy so I usually don't send things back. I like to have the physical elements of buying something in person. Online is a lot less forgiving when you make a mistake, because for someone like me, it's a lot harder to navigate. For example, I have certain dietary products that I need, and I can't afford to wait for an order if it stuffs up. So, I will only shop from this one store that I trust and have been shopping at for years in person. ATSI, renter, Regional VIC

Participants in our focus groups also recognised that some consumers needed someone to advocate for them when they were being treated poorly by a company.



I had one of our older veterans had a flip phone and he was with Telstra. And he's had a flip phone for 10 years. And they've been charging him data and increasing his gigabyte, increasing his rate. And he's never used the data, right? So at no sign, did they say to him, look I've noticed you don't even use data. We shouldn't be charging it for you. So it had to take one of our reps to go down to Telstra, sort of say, look what you've done for this person. But they didn't offer any sort of... They reduced his gigabytes and all that. What they did is they up-sold him a phone so he could use his gigabytes. So that was just a bad experience. Living comfortably, Melbourne

We asked participants in our forums if they were aware of any specific product recalls or the recall process more broadly. We also asked if they thought there were enough systems in place to ensure unsafe products were recalled, and who should be responsible for recalling a product. Many had a positive opinion of businesses that were proactive with conducting a recall or notifying customers of an issue.

Consumers told us that there needed to be better systems with audits of companies and improvements to recall communications. Many were aware that there might be a notice in a newspaper or a sign at the checkout but they considered this wasn't enough or were no longer the right channels to reach consumers.

“

My opinion of a company actually goes up when they declare a recall. It shows that they are prepared to put their reputation on the line and admit fault for the customer's safety, even though it could do brand damage.

Over 50, QLD

“

The government should be auditing companies to check quality assurance and following up that companies are disseminating information about product quality and recalls. The government also has a huge responsibility when it comes to making sure that imported products adhere to the same standards as Australian standards. Nowadays we are importing a lot of products from other parts of the world and they haven't exactly been manufactured to the same standards as Australian standards.

Struggled to pay a bill, Melbourne or Sydney



I think that it's quite appalling, the lack of advertising that you get for some product recalls. You might get some tiny little ad in some tiny little newspaper saying that this product has been recalled. Places that people don't even look. I think we should have a register. We live in the age of technology where people can go and check to see what has been recalled, especially when it comes to baby products and consumables because those are the dangerous ones. If you don't watch the news, you wouldn't even know about the airbags in the cars. Over 50, QLD

Finally, we asked about what it was like to ask for help from a provider or to set-up a payment plan. For many it was intimidating to make the call and it could result in them needing to speak with multiple agents before they could get the help they needed. However, once they were able to get help, they found that experience positive. But where providers started chasing payment, this added to an already stressful situation. Providers need to be considerate of the impact their actions have on customers.



Speaking to the provider after I missed a bill was difficult, it was hard to understand the terminology of certain things. I got passed on to different people, but eventually I spoke to a manager who explained it all to me. It was resolved and it was a positive experience. Struggled to pay a bill, Melbourne or Sydney



We are already under so much pressure because of the pandemic, we don't need this additional harassment from providers when you miss a bill or something small. CALD supports a family member, NSW



DETAILED METHODOLOGY: APPENDIX A

The following is the discussion and recruitment guide developed in consultation with our research partners Quantum Market Research to guide the recruitment of participants and as a facilitation guide during the focus groups and interviews. Each participant was given a pre-task which was to list down what they considered to be essential and how they feel as a consumer. The pre-task was intended to allow participants to reflect on their experiences ahead of the session to start the conversation with a question they had answers to already. Participants were provided with a \$100 gift card as compensation for their time. The focus group sessions were held online and recorded for the purposes of transcription and to support the analysis of the research.

CPRC Research Discussion Guide

Research objectives:

This purpose of this research is to better understand the experiences and expectations of being an Australian consumer today. To achieve this, the research must:

- Understand what is important to consumers
- Understand the aspects of economic decision-making and markets that have the most impact positively or negatively on our wellbeing as consumers. This may include elements such as:
 - o Agency, choice and decision-making
 - o Ability to access support, barriers and exclusion
 - o Sense of fair treatment
 - o Safety and sustainability

Phase 1

Four online focus groups (1.5hrs; \$100 e-gift card)

GROUP 1:

- o Melbourne residents, Middle to high income households (>80K HHI)
- o Mix of ages
- o Mix of family status
- o Mix of home ownership status

GROUP 2:

- o Sydney residents, Low income households (<80K HHI)
- o Mix of ages
- o Mix of family status
- o Mix of home ownership status

GROUP 3:

- o Regional NSW residents, Aged over 50
- o Over 50 years old
- o Mix of family status
- o Mix of home ownership status

GROUP 4:

- o Regional VIC residents, Aged under 50
- o Under 50 years old
- o Mix of family status
- o Mix of home ownership status

Phase 2

Seven online focus groups (1.5hrs; \$100 e-gift card)

Group 1:

- o VIC residents
- o CALD - Speak language other than English at home
- o Families – have children living at home
- o Mix of ages
- o Mix of home ownership status

Group 4:

- o QLD residents
- o Over 50 years old
- o Mix of family status
- o Mix of home ownership status

Group 6:

- o 4 Melbourne and 4 Sydney Residents
- o Agree they have struggled to pay bills in the past
- o Mix of ages
- o Mix of family status
- o Mix of home ownership status

Group 5:

- o Regional QLD residents
- o Renters
- o Families – have children living at home
- o Mix of ages

Group 3:

- o WA residents
- o Aged under 50
- o Mix of family status
- o Mix of home ownership status

Group 7:

- o SA residents
- o Renters
- o Under 50, Have no children at home

Group 2:

- o NSW residents
- o CALD - Speak language other than English at home
- o Individual acts as intermediary to help other family members navigate 'life admin'
- o Mix of ages
- o Mix of family status
- o Mix of homeownership status

Section 1: Introduction

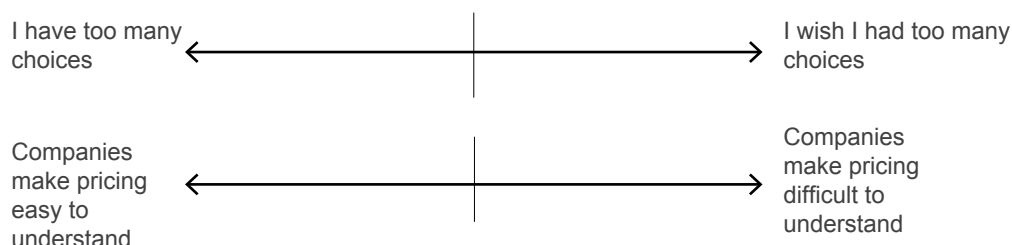
- This research is looking to better understand life as a customer in 2021 - what's good, what's difficult and how your expectations are changing in terms of what you need and want from companies and providers today.
- We want to explore your experiences, attitudes and expectations as you search, compare, purchase and use the products and services that are essential, and you can't go without.
- Ultimately, we would like to understand how your experiences with making purchases and dealing with different companies impacts your life – how it might make you happier, or where it might leave you worse off.

Section 2: Being a consumer in 2021

- In the homework task we asked you about what 'products, services, platforms and experiences you can't live without'.
 - o What did you put down?
- What makes something a product, service etc that we can't live without?
- How would we group these things we can't live without?
 - o Talk me through your thinking
- How would you describe dealing with these companies and providers?
- How does buying online change buying things?
 - o Does it make choosing easier? Harder?
 - o What is the impact on you (of it being easier/ harder)?
 - o What about when something goes wrong with an online purchase? How easy is it to resolve issues?
- Thinking about all the choices you need to make and the responsibilities you have, what are the five words you'd use to describe what it feels like to be a consumer in Australia today?
- Would you say things have gotten easier or harder as a consumer over the last 10 years?
 - o Explore. What has made it that way?
 - o How does that make you feel?

Section 3: Choice

- Using the tools on the side of the screen, place a cross on this scale that shows which statement best reflects how you feel.



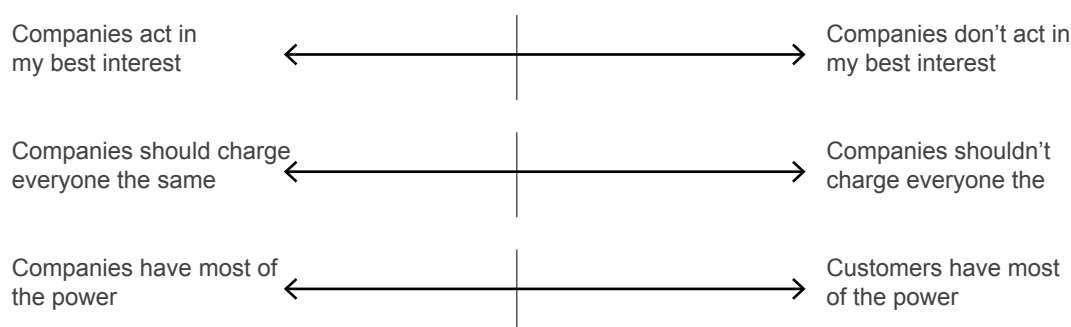
- As a consumer do you feel you need more choice, or less choice in your life?
 - Where more? Where less?
 - Why is that? Explore.
- Where do you like to have choice? (in what categories/ purchase types?)
 - Where do you wish you had less choice? Or that the process of choosing was easier?
- Thinking about the companies you must engage with, are there some products and services where deciding is more difficult?
 - How do you go about making a choice on your most important products and services?
 - At what point does price come in? What about quality?
 - How easy is it to assess quality? How do you distinguish bad from good?
 - Where do you turn to for advice or information when you're making decisions?

Section 4: Housing

- We've talked about essential services like [energy, telco, insurance,].
- To what extent do you think housing is a kind of essential service?
 - Do you think banks and landlords might have some obligations to help with payments in times of difficulty?
- How easy or difficult is it to find [a house to buy / a rental] something that is suitable?
 - Good quality?
 - Safe?
 - Sustainable?
- How easy is it to work out the quality and safety of a house when buying/renting a house?
 - How hard to navigate the market for housing/rental?
- How easy or difficult is it to resolve problems with your housing (rental/ purchase?)
- What needs to change?

Section 5: Fairness

- Have you ever been charged for something or paid for something where you didn't get what you expected? (for example, the contract was changed, or not easily understood understand? Or you weren't able to get the service you thought you had paid for?)
- When a company is behaving unfairly with you as a consumer- what does that look like? What things might they be doing or not doing?
 - Have you experienced this? What happened?
- Do you think companies are making pricing more or less easy to understand?
 - What were your thoughts on this?
 - What do you think is driving this?
 - Probe on terms and conditions if mentioned
- Do you think companies have a responsibility to help you?
 - What about when you are experiencing a major life event or are in a time of need?
 - Who else do they have a responsibility to? Should they?
- Show on screen. In your homework we asked about companies acting in your best interests. We'd like your thoughts on that and some other statements.



- In general, do you think companies act in your interests?
 - Explore. (What does it mean to act in you best interest? What companies do/ don't?)
 - What do you think is most important to companies?
 - Is that fair?

Section 6: Equity, access and contact

Have you ever had a time when you had to miss a payment or struggled to pay a bill? (prompts: rent, electricity, mobile, Netflix, insurance)

- What was the impact on you?
- What did you have to do to resolve the situation?
 - (did you have to make other sacrifices?)
- Thinking now about contacting and communicating with providers (e.g. trying to make a change to something, cancel a service etc.)
 - Overall, how do you find those experiences?
- Have you had difficulties when trying to contact and communicate with a provider?
 - What sorts?
 - What would you want those experiences to be like?
 - Has a friend or family member sought help from a provider? Have you helped a friend or family member to access support?

Section 7: Safety and sustainability

- What responsibilities do/should companies have when it comes to sustainability?
 - What does “sustainable” mean to you?
 - Is it something that you think about? For what products or services?
- How easy/ difficult is it to make sustainable choices?
- How involved should a company be in life cycle of a product? (once a product is no longer usable – should they be responsible for recycling, for example?)
- Do products last as long as they should?
 - Do we think this has gotten better or worse with time? Do we care?
 - How easy is it to repair vs replace a product that you’ve bought? Is that an issue?
 - Does it bother you how much waste / environmental damage your purchases make?
 - What could companies be doing better here?
- Have you ever heard of a product that was unsafe, or recalled?
 - Are there appropriate systems in place to deal with that?
 - Who is responsible for resolving an issue with an unsafe product?
 - What is the role of Government in product safety?

Section 8: Consumer wrap up

- There’s been a rapid growth in the number of products and services available in different markets, do you think this makes us better off/happier?
- What’s the consequence for your overall quality of life/wellbeing?
- What would you change about the experiences you have, or the ways companies behave and engage with you as a consumer today?
- If there was one thing you could change about being a consumer today, what would that be? (use as needed to replace above)

