




Why consumers contact ACL regulators

1. Consumer didn't get what they paid for or want repair, replacement or refund
2. Trader complaints system doesn't exist, takes too long or doesn't work
3. Trader non-compliant with the ACL

- Estimated more than 1,000,000 enquiries
- More than 100,000 formal complaints received each year
- More than 95% justified and they are the "tip of the Iceberg"





Reducing consumer detriment
Education
Self-help tools
Media & social media
Campaigns







Trader Engagement

Consumer complaint intelligence collected by ACL Regulators

Engage with Traders to **improve trader complaints resolution to reduce complaints to ACL Regulators and improve consumer outcomes.**

FREE consumer insights

Consumers won't complain so much and we won't need to do so much.

So, let's see how it is working in practice...In two fairly different ways











The Better Business Initiative

- The Better Business Initiative (BBI) is a Victorian preventative and voluntary program encouraging businesses to become, and stay compliant.
- It targets businesses that have attracted a high or disproportionate number of CAV contacts (both requests for information or advice and disputes).
- Businesses that have the *potential* to generate contacts are also targeted such as global companies new to Australia.
- Aims to:
 - ✓ address the root causes of consumer contacts
 - ✓ improve internal complaint handling procedures
 - ✓ reduce the number of contacts made to CAV **and** the business
 - ✓ achieve this within a set timeframe, using an agreed Action Plan.



The Better Business Initiative One of CAV's compliance and enforcement tools

-  **Civil or Criminal Action**
CAV may take a business to court.
-  **Enforceable Undertaking**
CAV may seek an enforceable undertaking from a business.
-  **Infingement Notice**
CAV may issue an infingement notice on a business.
-  **Public Naming**
The Director of CAV or the Minister may publicly name a business for the purpose of educating and informing people on fair trading issues.
-  **Better Business Initiative**
CAV proactively engages with businesses to reduce their contacts and improve their business practices.
-  **Warning Letter**
CAV sends warning letters to businesses about specific breaches of administered legislation.
-  **Compliance Visit**
CAV conducts compliance visits to provide one on one assistance to businesses.
-  **Conciliation & Front Line Resolution**
CAV conciliates consumer and business disputes.
-  **General Education**
CAV educates consumers and businesses about their rights and obligations.



The Better Business Initiative

- CAV conducts a thorough analysis of contact data to identify business conduct issues and their potential causes.
- Those businesses with inadequate complaint handling processes or other systemic issues are likely to be targeted.
- Direct engagement with targeted businesses helps to identify changes to business practices that are likely to have an ongoing impact.
- The onus of improving business practices rests with the business.
- An agreed Action Plan will be developed to guide improvements aimed at addressing the root causes of identified issues.
- CAV will engage with the business and monitor improvements over a longer cycle, e.g. 12 months.



The Better Business Initiative

- Since 2013, CAV has worked with businesses from a range of industries including building, solar, electronics, furniture, fashion, real estate and online retailers.
- Common business improvements have included:
 - new or improved complaint handling systems
 - improved quality assurance processes
 - improved supply timelines
 - targeted staff training including legislative awareness.
- In the last two financial years (2014-15 and 2015-16), contacts to CAV about targeted businesses have decreased by over 30%.



The NSW Complaints Register

- In 2015/16, NSW Fair Trading received over 50,000 complaints.
- Part of the NSW Government's commitment to open data, the Register was established under Sec. 86AA of the Fair Trading Act 1987, with the Guidelines being published in March 2016.
- Businesses who receive 10 or more complaints in a calendar month will appear on the register, with 2 years data being made available.
- Businesses appearing on the register will be notified 3 days prior to publication.
- The register will be published monthly, with the first publication in late August.
- Raw data underlying the dashboard can also be used for further analysis.



Definition of a complaint

A complaint is an "expression of dissatisfaction made to or about an organisation, related to its products, services, staff or the handling of a complaint, where a response or resolution is explicitly or implicitly expected or legally required"

AS/NZS 10002-2014

- A complaint must be from a real person who had a real interaction with the business
- Fair Trading will contact the business about the complaint



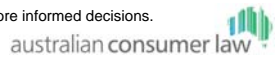
The NSW Complaints Register

Business	Product Group	Product	Subgroup	Complaints
Trade 1	Retail	Development Not Satisfied		200
		Contract/Financial/Investment/Insurance	Consumer Contracts	1
		Contract/Financial/Investment/Insurance	Contract Consumer/Games	1
		Contract/Financial/Investment/Insurance	Contract	2
		Contract/Financial/Investment/Insurance	PCs	3
		Contract/Financial/Investment/Insurance	PCs	20
		Contract/Financial/Investment/Insurance	PCs - Purchase or Sale	10
		Contract/Financial/Investment/Insurance	PCs - Purchase or Sale	1
		Contract/Financial/Investment/Insurance	PCs - Purchase or Sale	1
		Contract/Financial/Investment/Insurance	PCs - Purchase or Sale	1
Trade 2	Property	Property - Purchase or Sale		34
		Property - Purchase or Sale	Property Management (Landlord)	2
		Property - Purchase or Sale	Property Management (Landlord)	2
		Property - Purchase or Sale	Property Management (Landlord)	2
		Property - Purchase or Sale	Property Management (Landlord)	2
		Property - Purchase or Sale	Property Management (Landlord)	2
		Property - Purchase or Sale	Property Management (Landlord)	2
		Property - Purchase or Sale	Property Management (Landlord)	2
		Property - Purchase or Sale	Property Management (Landlord)	2
		Property - Purchase or Sale	Property Management (Landlord)	2
Trade 3	Retail	Contract/Financial/Investment/Insurance	Contract	1
		Contract/Financial/Investment/Insurance	Contract	1
		Contract/Financial/Investment/Insurance	Contract	1
		Contract/Financial/Investment/Insurance	Contract	1
		Contract/Financial/Investment/Insurance	Contract	1
		Contract/Financial/Investment/Insurance	Contract	1
		Contract/Financial/Investment/Insurance	Contract	1
		Contract/Financial/Investment/Insurance	Contract	1
		Contract/Financial/Investment/Insurance	Contract	1
		Contract/Financial/Investment/Insurance	Contract	1



The NSW Complaints Register

- Having nominated case managers provide a single point of contact.
- NSW Fair Trading has met with businesses likely to appear on the Register and will continue to meet with those who may appear in the future.
- We provide feedback on the types of complaints we receive and work with businesses to identify opportunities for improvement
- Knowing that complaints data will become publicly available has provided a significant incentive for businesses to provide better customer service
- Complaints about these businesses have declined by more than 40%
- Number of businesses likely to appear declined from 33 in March to 20 in June
- Data will assist consumers to make more informed decisions.



Surprising learnings

For some businesses:

- a complaint from the regulator is the same as a complaint from a consumer
- it is more important to track issues with products rather than track issues with customer service
- referring unhappy customers to the regulator is seen as an effective way to address customer complaints.