



The Consumer Council

Business Engagement

**A Briefing Paper for the Committee for
Enterprise, Trade and Investment - October 2014**

Briefing on the Consumer Council Businesses Engagement Programme

1. Aim of Briefing Paper

1.1 The purpose of this paper is to provide the Committee for Enterprise, Trade and Investment (CETI) with a briefing on continuing work by the Consumer Council to further develop and improve relationships with the business community.

1.2 A Business Engagement event was held by the Consumer Council on Wednesday 24 September 2014, which was attended by the Minister for Enterprise, Trade and Investment Arlene Foster, MLA. Business representatives who attended included Northern Ireland Retail Consortium, CBI, FSB, Ulster Farmers Union, Pubs of Ulster, Northern Ireland Hotel Federation.

1.3 The aims of the business engagement event were to:

- Further improve relationships, engage and identify joint working opportunities between the Consumer Council and key business sectors;
- Highlight current and upcoming changes to consumer law, consumer rights and developing issues. Provide an insight into current consumer confidence and explore the impact shifting consumer behaviour may have on business; and
- Promote the support and assistance the Consumer Council can provide to businesses.

2. Background

Whilst primarily recognised as working on behalf of individual consumers, the Consumer Council has a statutory role to represent the interests of businesses.

The Consumer Council recognises it can become a more effective advocate for business consumers to ensure they have access to support and redress. The Consumer Council has committed to engaging with the business sector to ensure

access to reliable consumer law information and customer care resources, sharing of consumer intelligence and improved working on areas of joint interest.

As consumer spending accounts for 60 per cent of GDP it is essential consumers and businesses are confident of their rights, know how to express them and who to turn to for help. Confident and optimistic consumers knowledgeable about their rights are essential in driving Northern Ireland forward as a region and as a competitive economy.

The key objective of the event was to recognise the shared focus the Consumer Council and business sector has on consumers, but also to respond to the needs businesses have as 'consumers' themselves.

3. Key Discussion Points Raised During Business Engagement Event:

- Ultimately growing the economy is our number one priority and this can only happen when we have a strong, positive and competitive business sector matched with confident, optimistic (willing to spend) consumers who trust and have relationships established with business.
- Minister Foster reflected that helping businesses get it right for consumers is a win-win. By anticipating consumer need; being knowledgeable and confident in handling queries and complaints; proactively encouraging customer feedback and cultivating a culture of customer service excellence, businesses will:
 - build customer loyalty;
 - avoid costly, protracted complaints;
 - prevent reputational risk;
 - boost staff skills and morale; and
 - gain a competitive edge
- Informed, confident consumers are good for business. Consumer confidence is improving and with it their expectations of good customer care. Businesses will need to ensure they are able to meet demand whilst also assisting those consumer groups who are less confident.

- Businesses are consumers too. Small businesses often consume services such as energy and water in a similar manner to domestic consumers. Regardless of business size, many businesses do not have the time, resource or expertise to negotiate an appropriate deal or resolve problems. The legislation which provides the Consumer Council with responsibility to handle complaints and support consumers in markets such as energy, water and post makes no difference between a domestic consumer and a non-domestic consumer. Therefore the Consumer Council should also focus on supporting businesses 'as consumers' of these services.
- The Consumer Council's 'Back to Business' report found that consumers are feeling the benefits of business providing good customer service (74 per cent of consumers had no reason to complain, compared with 63 per cent in 2007 and 57 per cent in 2003). So businesses are getting it right and that is a key success story we should hear more about.

Businesses are also becoming more confident about getting things right - 86 per cent rate their standards as consistently very good (in 2003 only 14 per cent of businesses thought their standards were this high!).

However, just under half of local businesses (45 per cent) report finding it easy to keep informed about consumer law. With the Consumer Rights Bill due to become law in 2015, and the Alternative Dispute Resolution Directive having to be implemented by July 2015, the time is ripe for businesses, their representative bodies and key support agencies to roll out training and information resources to ensure all customer-facing staff are equipped with the knowledge and skills to stay up to date and within the law. This will help to not only maintain but build on service standards.

4. Next steps / Action

- The Consumer Council to maintain closer links and support to business sector. As part of this approach, the Consumer Council will work with business representative bodies to encourage their members to make use of our advocacy role and advice services including support with complaints.
- When producing consumer law guidance for consumers we will also produce guidance specifically tailored for retailers and service providers.
- The Consumer Council will continue to forge partnerships with business training providers to promote the inclusion of consumer law in customer care training.
- The Consumer Council will share the findings from its twice yearly Consumer Confidence Tracking with business representatives.
- The Consumer Council will deliver and participate in a series of regional 'business clinics' as part of our outreach strategy for 2015-16.

For Information:

Appendix 1 - Financial Outcomes Achieved by the Consumer Council for Business, 2013-2014 and 2014-2015

2013-2014

Complaint type	Amount
Energy	£56,456.39
Transport	£260.65
Water	£315,145.24
TOTAL	£371,862.28

2014-2015 (1/4/14 – 29/9/14)

Complaint type	Amount
Energy	£26,983.07
Transport	£0
Water	£32,816.53
TOTAL	£59,799.60

(Note – This table does not include a further £107,000 CCNI has secured for businesses as complaints have not yet formally closed)



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