

Revision

Being a Consumer	√
Define what a consumer is	
Explain an informed consumer	
Explain false economy – give an example	
Explain impulse buying – give an example	
Name the consumer laws and give at least 3 principles of each	
List the steps involved in making a complaint in the correct order	
Write a letter of complaint	
Write an email of complaint	
List some agencies that support consumers – explain what they do	
Distinguish between consumer rights and responsibilities	
List and explain some consumer responsibilities	
Suggest some benefits and dangers of shopping online (for consumers and businesses)	
Suggest how consumers can avoid dangers of shopping online	

Enterprise	
List and explain the 3 types of enterprise we have learnt -financial, cultural, social	
Be able to explain how each one contributes to society	
Skills of an entrepreneur	
Characteristics of an entrepreneur	
Be able to reflect on the enterprise project eg. – how could you improve your enterprise skills or how have they you, how have you found working in a team – how can that be improved etc.	

Marketing	
State what target market means – apply this to your product and identify who is your target market	
What is market research – explain, state the 2 types, give examples of each	
Explain how market research can help companies – apply this to your business	
The marketing mix – what are the 4 Ps	

Consumer Rights and Responsibilities



Consumer

A consumer is anyone who buys goods or services for their own use.

A **good**: something that you buy that you can touch or see, e.g. phone, book, skirt

A **service**: is something that is done for you, e.g. bus ride, haircut, car wash

Brand name

This is the name given to a range of products, by the maker

Brand names

- A brand name distinguishes a product from its competitors.
- It gives the product an identity in the eyes of the customer.



Informed Consumer What does an informed consumer do?

A good consumer will...

- Try to buy goods that are good value and good quality
- Shop around → check the prices in a number of shops and compare before buying
- Keep their receipts in a safe place
- Is an informed consumer → knows their rights and responsibilities and knows what to do if their rights are infringed
- Know who to go to for help if they have a problem
- Avoid false economies
- Avoid impulse buying

False economy

When you buy something cheaper to save **money** but it **ends up costing more money** in the long run



Impulse buying

Buying goods on the spur of the moment without planning

Rights of a consumer



Why do consumers need protection?

- Unsafe or Low Quality Goods
- Overcharging and incorrect weights
- Misleading Advertisements
- Slick sales method

Consumers are protected by legislation (laws) and can go to various bodies/organisations for help.

Legislation

The laws of a country

The Sale of Goods and Supply of Services Act 1980

Rights are legal entitlements → things that you should be allowed

According to [the Sale of Goods and Supply of Services Act 1980](#), as a consumer you are entitled to the following rights

Sale of Goods and Supply of Services Act, 1980

The act says that:

- The goods we are sold should be of **merchantable** quality
- The goods we are sold should be **fit for the purpose intended**
- The goods we receive should be as they were **described**
- The goods we receive should be the same as any **sample** we were shown
- Any service we purchase should be:
 - ⇒ Carried out by someone with the necessary **skill**
 - ⇒ Carried out with proper **care and attention**
 - ⇒ Carried out using materials of **good quality**

It is the seller's responsibility to put things right if there are problems

According to the Consumer Protection Act 2007, you are entitled to the following right

Consumer Protection Act, 2007

This act says that:

- We are entitled to a choice of a **refund, a replacement, or repair** if the goods we purchase are faulty from the beginning, or within six months.
- Certain information must be included on the **packaging** of the product.
- Retailers must act **fairly** and, tell the truth, and **not mislead** consumers
- If a retailer **reduces the price** of a product or service, they can only mention the previous higher price if it was actually sold at the higher price in the past.

Definition

- **“Caveat Emptor”** is a Latin expression which means “Let the buyer beware”. The doctrine of caveat emptor means that in a sale of goods, the seller is under not duty to reveal unflattering truths about the goods. A buyer must buy goods after satisfying himself of their quality and fitness.



Guarantee

A promise by the manufacturer to repair or replace damaged goods within a specific period of time

Warranty

An optional extra guarantee



Responsibilities of the Consumer

Consumers should...

1. Pay the agreed **price** on time
2. Use goods as instructed and for the **purpose** intended
3. Dispose of **packaging** in an environmentally friendly way
4. Know how to make a **complaint** and how to take appropriate action
5. Know the relevant **agencies** to contact when your rights are not adhered to

Valid and non-valid complaints

Some complaints are non-valid and you would not be entitled to one of the three R's. For example, if there is no problem with the product you have purchased but you change your mind, consumer law does not apply (but some company's may still allow you to bring your product back if its unused).

Buying online

Cooling-off period

Usually 14 days, you can change your mind about things bought online within this time and get a full refund. There can be exceptions to this such as perishable items.

There are both benefits and drawbacks for consumers and businesses when shopping online

Some benefits of shopping online for the consumer	Some drawbacks of shopping online for the consumer
<ol style="list-style-type: none">1. Convenience – always open2. Prices can be lower than in shops3. Greater choice – access to markets outside your area4. No crowds	<ol style="list-style-type: none">1. Risk of fraud2. Cannot touch or see the goods3. Can be more difficult to return or have problems dealt with4. International delivery can cause environmental damage

Some benefits of shopping online for the business	Some drawbacks of shopping online for the business
<ol style="list-style-type: none">1. Cheaper to have a website than open a shop2. Bigger market – access to consumers in different areas3. Sales can be made 24 hours a day	<ol style="list-style-type: none">1. Less chance to build customer loyalty2. Goods can be returned if consumers change their mind (usually up to 14 days)

Consumer problems – The steps involved in making a complaint

1	Know your rights	Know/find out if you are entitled to redress
2	Documents	Keep proof of purchase - receipt, email, etc.
3	Act quickly	Stop using the product
4	Contact the shop	Go back to the shop and explain your problem
5	Formal complaint	If the shop will not help you, write a formal letter of complaint or email a formal complaint
6	Seek help	If you are still unsatisfied you can contact an agency for assistance eg, CCPC, Citizens information etc.
7	Legal action	In some cases you may need to take legal action and may take you case to the small claims court or district court.

Redress – Refund, Replace, Repair

The possible remedies available to consumers who have purchased faulty goods

Supporting Consumers

We have said that an informed consumer is aware of the Agencies that can assist them with their consumer problems. These are some of consumer protection agencies that can offer support to consumers.

Agency

An organisation that provides a service on behalf of someone else

1. Competition and Consumer Protection Commission (CCPC)
2. Trade Associations
3. Citizens Information Board
4. Small Claims Court
5. Consumer Association of Ireland
6. Office of the Ombudsman
7. Commission for Communications Regulation

1. Competition and Consumer Protection Commission (CCPC)



- Was set up in 2014
- Protects consumers by making sure that anyone who sells goods or supplies a service obey the laws
- Makes sure that competition laws are obeyed
- Has a consumer helpline and website to give advice and assistance
- Can issue fines and take firms to court if they have broken consumer law
- Ensures products sold in Ireland are safe – investigates complaints about unsafe products

2. Trade Associations

- Suppliers of goods and services are members of organisations which lay down standards of conduct for their members
- These associations try to settle disputes between members and customers
- E.g. Irish Travel Agents Association (ITAA), Irish Health Trade Association (IHTA).

3. Citizens Information Board

- Provides information in centres located around the country, on a website, and over the phone
- Can advise and support the public on their rights e.g. consume rights, employment rights, housing, disabilities and other areas.

4. Small Claims Court

- If a consumer complaint is not resolved they can take their case to the small claims court
- The claim cannot exceed €2,000
- There is a application fee of €25
- No solicitors are required

5. Consumer Association of Ireland

- Voluntary Group

- Advises consumers about goods and services and the laws affecting them
- Consumer Choice magazine



6. Office of the Ombudsman



- An ombudsman hears and investigates complaints made by private individuals against government bodies or officials
- Examples of government bodies are the Department of Education and the Health Service Executive (HSE)
- The ombudsman service is free
- There is also an ombudsman for financial institutions like banks and insurance companies and an ombudsman for children

7. Commission for Communications Regulation (ComReg)

Enterprise

The entrepreneur is someone who spots a gap in the market, takes both a personal and financial risk in the hope of making a profit.

Enterprise happens when the entrepreneur spots an opportunity in a market and sets up a business to satisfy this need.

So essentially the entrepreneur is the person, and enterprise is the business idea.

Why do People become Entrepreneurs?

People often decide to become an entrepreneur for the following reasons:

Income: Potential to make a profit and support yourself financially- to potentially earn more than an employee wage

Independence: Be your own boss, work for yourself and make all key business decisions

Challenge: Some people get bored easily and like to challenge themselves to be successful

Creativity: They have the ability to constantly come up with new ideas

Redundancy: They have been laid off from work and need a source of income for themselves

Some Key Characteristics and Skills of Entrepreneurs

Characteristics (Born With)	Skills (Can Learn)
Creative	Time Management
Risk Taker	Communication
Ambitious	People Skills
Determined	Planning
Initiative	Problem Solving

Marketing

Marketing means **identifying consumer's requirements** and identifying how to **supply** these **requirements** at a **profit**. It is finding out what a customer **wants** and making a product to satisfy these **needs profitably**.

A Target Market refers to all people who might buy a particular good or service. The Target Market will have something in common and are targeted by advertisers.

Market Research

- One of the most important tasks in business is to find out what products and services the consumer needs and wants
- **Market Research** is therefore collecting information about a product and its market and then using that information to make business decisions



Methods of Collecting Information

- **Field Research**- Going out and asking the public information (going into the field)- Examples include questionnaires, taste tests, observations
- **Desk Research**- Information is collected by looking up reports and the internet (at a desk)- Examples include libraries and government agencies.

The Marketing Mix – The 4P's

- 1 – Product
- 2 – Price
- 3 – Place
- 4 – Promotion