

CONSUMER CHOICE

COMMERCE AND CHOICE

- Consumer, financial, business, employment, legal and environmental **factors influence our choice.**
- **Impulse buying** – ‘on the spur of the moment’ buying

CONSUMER DECISIONS

- Comparison shopping – comparing different **brands**, their **prices** and their **quality**
- Other decisions include age, gender, income, convenience, impact on environment and packaging.

CONSUMER PROTECTION

- A contract is an **agreement** that is **binding on all parties** involved. It has three steps:
 - o **Mutual Assent** – an offer and acceptance
 - Can I sell a car to you? Yes.
 - o **Consideration**, such as a term implying payment
 - It will cost 2000 dollars. You must pay this amount, plus a 10% interest. I agree.
 - o **Intention to enter into legal relations** – legally binding the contract
- Contracts can be verbal or written, and can be ended.

LEGAL RIGHTS

- Products must be:
 - o Safe, accurately described, have a Term of Sale, warranty (90 days), of **merchantable quality** and **fit for purpose**

ASSISTANCE

- Assistance can be provided by the following organisations:
 - o OFT – Office of Fair Trading
 - Deals with small issues, made under the Fair Trading Act 1987
 - o ACCC – Australian Competition and Consumer Commission; and
ACA – Australian Consumer’s Association
 - Deals with larger issues
 - o Ombudsman
 - An investigator to a problem, such as the Telecommunications Ombudsman

REDRESS

- Redress is the process of making something which is wrong, right.
- Refunds or exchanging must be given where:
 - o Product is **different from description** or labelling
 - o **Faulty** when manufactured
 - o Does not do what it supposedly does.

PAYMENT CHOICES

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| - Cash: notes and coins | - Lay-by: Pay a deposit and finish paying through instalments |
| - Credit: Supply of money to be repaid later | - Electronic Funds Transfer: Own money |
| - Direct debit: scheduled bill payments | - Book-up: credit provided by retail |
| - Cheque: Safe, can be cancelled | |