
LIMPOPO PROVINCIAL
GOVERNMENT

Consumerism Report

DEPARTMENT OF
ECONOMIC
DEVELOPMENT,
ENVIRONMENT &
TOURISM

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Acronyms and Abbreviations

ADR	Alternative dispute resolution
AMPs	All Media and Products Survey
ASA	Advertising Standards Authority
ATL	Above The Line (ATL)
FGDs	Focus Group Discussions
FSB	Financial Services Board
GDP	Gross Domestic Product
ICASA	Independent Communication Authority of South Africa
IDIs	In-depth interviews
NGOs	Non Governmental Organizations
NCR	National Credit Regulator
NCF	National Consumer Forum
NCT	National Consumer Tribunal
NHBRC	National Home Building Registration Council
PAPI	Pen and Paper interviews
SAMRA	Southern African Marketing Research Association

Executive Summary

The Government of Limpopo's Department of Economic Development Environment and Tourism commissioned research in Limpopo Province to, in the main, assess the impact of existing consumerism programmes. The research involved qualitative group discussions as well as quantitative interviews with consumers randomly drawn for the urban and rural areas of Limpopo Province. Some In-depth interviews were also conducted with a few stakeholders to explore roles the National Consumer Forum (NCF) can play in consumer representation.

Across all the segments of the market surveyed, it emerged very clearly that current consumerism programmes have not made much impact in Limpopo. The survey confirmed that an emphatic majority of the consumers had not been exposed to any consumer protection campaigns. This was the same finding among stakeholders. There was however, isolated reference to gatherings organized by the NCF, but these tended to be discounted as political events, perhaps because of heavy presence of government diplomats and focus on speeches during these events.

A visit to the Consumers Affairs Office in Polokwane reveals evidence of work being done through schools, on Consumers Right Day and through daily attendance to consumer complaints. However, the research finding clearly show that more work still needs to be done more visibly, loudly and consistently to achieve the following key perceived roles of consumer bodies;

- cater for all kinds of people i.e. ensure fair representation for all;
- should be transparent and avoid corrupt practices;
- proactively and consistently educate consumers on their rights;
- inform consumers about reliable advocacy bodies in Limpopo;
- be easily accessible i.e. be conveniently located;
- deal with issues timeously to avoid consumers travelling;

- professional outlook and conduct;
- impart knowledge about the law to the consumer;
- consumer education about economical steps to take when seeking redress and
- take up public grievances about poor service in Limpopo.

The above stated tasks are indicative of the key roles that organizations like NCF should play in their consumer representation mandate. Consistent with consumer campaign awareness, knowledge of local consumer protection bodies was also very low. In spite of this, a notable proportion (63%) of consumers in Limpopo is conscious of their rights as consumers. However, even though the majority knew that they have rights as consumers, the given definitions of these rights left room for alignment of this knowledge towards the globally renowned consumer rights. The popular definition of consumer rights advance, centered on unrestricted shopping. However rights to choice, rights to be heard, rights to basic needs, rights to healthy environment and rights to redress also featured prominently as definitions of consumer rights. This bears close resemblance to the rights enshrined in the Unfair Business Practice Act.

Overall nearly 80% of the respondents did not know any local bodies that would take up issues on behalf of the consumers. Results from the channels pursued when faced with unfair business practice clearly showed that *consumers tend to, by and large, handle grievances directly with the service providers*. Chief among the few bodies that generated consistent mentions across all districts included the following:

- Independent Communication Authority of South Africa (ICASA);
- Non Governmental Organizations (NGOs);
- Advertising Standards Authority (ASA);
- Council of Medical Schemes and
- Financial Services Board (FSB).

National Consumer Forum (NCF) , Banking Ombudsman , Furniture Retailers Association , National Credit Regulator , Private Organizations etc had much lower mentions and tended to display some regional tendencies i.e. they had significantly higher recall in some provinces than others.

Whilst stakeholders saw themselves playing a key role in consumer awareness, the consumers themselves placed this responsibility squarely on Government followed by service providers. Stakeholders felt that, at that level, with intimate and close relations with the consumer, they are in best position to educate them. There exists an opportunity for the Consumer Affairs Office to partner with these local offices and service providers in delivering the consumer rights message. However both stakeholders and consumers are generally open to partnerships with other organizations in the delivery of the consumer rights message. Local advice offices and other consumer protection bodies reiterated that they are currently making efforts to educate, empower and protect consumers against unfair business practices. To some extent they felt that they are making strides in their efforts, but most concurred that there is a lot of work still to be done as consumers in the province are not aware of their rights and relevant supportive legislation. A mere 12% of consumer confirmed awareness of Unfair Business Practice Act.

Consumerism programmes were endorsed as critical in Limpopo in general, more-so in the rural areas. Outreach programs, workshops, schools programmes and interactive sessions involving and led by the consumers themselves were seen to be most effective methods in educating consumers. Use of such grassroots methods was also presented as a means of ensuring that all groups receive relevant consumer information and subsequently fair representation as they will be operating from an informed position.

1. Introduction

Improving the socio-economic conditions of households and communities is a fundamental part of the government programs in South Africa. As input into their developmental initiatives, government, through its various arms, commissions research of various forms through different consultancy firms.

The Limpopo Provincial Government has acknowledged that local demand conditions are key drivers of the economy and has further acknowledged that consumption, to a level, drive business confidence whilst on the downside erodes savings and places a burden on the state in later years from social welfare grants. The province contributes less towards the domestic economy [in terms of Gross Domestic Product (GDP), at only 4%] than its share in the national population and the total land area (10%). However, according to a publication by Stats SA, the contribution of the province to the national economy has been increasing steadily from 5.7% in 1995 to 6.5% in 2002 (Stats SA Discussion Paper, November 2002; page 20). The province has the highest population growth rate in South Africa. The large population relative to the small formal economy results in generally low levels of GDP per capita and therefore generally low levels of incomes.

The second observation is that the formal economy in the Limpopo Province is very open, which implies a significant cross-border flow of goods, services and factors of production. Primary and secondary goods production is exported from the province, whereas consumption and other intermediary goods and services are sourced from outside the province. This has resulted in a loss in potential employment and income that could be generated through the processing of goods produced locally. People are thus forced to seek employment outside the province.

Whilst there is a national mandate which says that consumers must be protected, the challenge is the translation of this mandate for the benefit of consumers in the province. Many consumer related bodies such as the Council of Medical Schemes, National Credit Regulator, Competitions Commission, Banking Adjudicator, and Banking Ombudsman are operated from and based in Johannesburg. It is one of the hypotheses that the principal act needs to be imbedded on a local level to achieve more awareness. The SA Consumer Union and Government further do not see the impact of current awareness programmes because whilst consumers are lodging complaints little evidence suggesting recourse awareness is evident. Furthermore, the National Consumer Forum Department has tried to resuscitate consumerism bodies but has met with little success. Research has been commissioned to, among other benefits; point out what aspects the Department needs to focus on in playing their consumerism role.

2. Research Objectives

The primary objective of the study was to assess the impact of existing consumerism programmes along the dimensions of awareness, impact, sustainability, effectiveness and efficiency. Further objectives revolved around establishing the following:

- survey bodies which are available in the province to take consumer issues,
- establish which consumerism programmes would be critical for the province,
- roles the *National Consumer Forum* can play in consumer representation,
- areas consumers might need representation by ombudsman and
- understand how to ensure all groups obtain fair representation.

A project charter was developed in response to the briefing provided by the Department of Economic Development, Environment and Tourism. See Project Charter in Annexure A

3. Research Methodology & Sample

The breadth and depth of the research objectives required a multi-pronged approach to the research. Further the objectives require data that is clearly defined and measurable (facts). This called for primary research. The design thus comprised of qualitative group discussions with consumers, in-depth interviews with stakeholders and one-on-one structured quantitative interviews with the general population (i.e. consumers) as discussed below. See Work Plan in Annexure B.

3.1 Stage 1: Qualitative Group Discussions (Consumers)

A method of social interaction, focus group discussions (FGDs), stimulates the expression of thoughts, ideas and experiences. This exploratory approach gives insights

into often subconscious motivations and perceptions of the public. It simulates real life dynamics among people of diverse backgrounds. Relevant projective techniques are used to assist those with deficient verbal skills. These techniques include sentence completions, imagery etc. Trained researchers were involved in interpretations of responses from the projective responses. A refresher break was allowed to keep discussions alive. Notes were taken as well as audio recording of all groups to ensure that all contributions were captured and reported on.

In the current case a total of six (6) group discussions with the consumers were conducted, proposed and constituted as follows.

Table 3.1: Focus groups sample breakdown

LOCATION	AGE	GENDER
Makhado	25-34	mixed
Makhado	35-49	mixed
Polokwane	25-34	mixed
Polokwane	35-49	mixed
Thohoyandou	25-34	mixed
Thohoyandou	35-49	mixed

According to the latest South African All Media and Products Survey (AMPs) 2006 data, the Limpopo population is dominated by black people (97%). The FGDs, being in essence an idea generation design, had been deliberately biased towards the black population of mixed gender and age. It is the considered view that the three urban locations shown above as well as the deemed economically active age groups chosen (25-49) would suffice in terms of generating the consumerism vocabulary and themes that were explored in the more comprehensive and conclusive quantitative phase. Eligible respondents were recruited at random from various market segments covering

working and non-working respondents. All conventional research practice (e.g. screening) protocols were strictly adhered to, to ensure authenticity of the exercise. A focused Discussion Guide was agreed upon before commencement and Client had been exposed to the Group schedule in advance so that they may attend to observe some of the group discussions. Venues with one way mirror facilities were preferred to facilitate this.

3.2 Stage 2: In-Depth Interviews (Institutions)

In-depth interviews (IDIs) are in principle the same as FGDs and may be viewed as one-on-one discussions in terms of approach. IDIs are preferable to FGDs in cases where the target group is of an “executive” nature and therefore difficult to summon to attend a group at the researcher-chosen venue. With IDIs the discussion happens at the respondent’s preferred setting, typically their offices or homes. In the current case we proposed a maximum of twelve (12) IDIs targeted at consumer industry stakeholders or experts. The Department’s input was sought on the exact identity and location of eligible respondents, i.e. other consumer protection bodies or agencies that deal with consumer issues within the Province.

3.3 Stage 3: Quantitative Interviews (Consumers)

As the third segment of the study, it was proposed to use quantitative, face to face pen and paper interviews (PAPI) in randomly selected locations in Limpopo. From experience, this approach is more practical and cost-effective compared to telephonic or postal data collection approaches. It was a requirement that eligible respondents constitute a sample that is representative of the Limpopo consumer population. A decision was taken that all five districts of Limpopo be covered.

3.4 Sample Design

Eligible respondents were all adults (above 25 years), from all population groups and socio-economic backgrounds, drawn from both urban and rural households but disproportionately to reflect the income skew towards urban. The popular multi-stage stratified sampling technique adopted entailed;

- random selection of *residential areas* in each study area;
- random selection of primary *sampling points* within the residential areas;
- random selection of *households* using rigid mechanical walk procedures and
- random selection of eligible *respondents* in the households using the in full (KISH) grid technique.

The following sample coverage was eventually agreed.

Table 3.4: Sample coverage by area

AREA	TOTAL SAMPLE	URBAN	RURAL
Makhado	140	140	N/A
Polokwane	180	180	N/A
Thohoyandou	140	140	N/A
Capricorn District	40	N/A	40
Mopani District	40	N/A	40
Sekhukhune	40	N/A	40
Vhembe District	40	N/A	40
Waterberg	40	N/A	40
TOTAL	660	460	200

Data collectors were largely recruited from university undergraduate and unemployed graduate databases of the Limpopo province. In total a team of 25 interviewers were used and split into three teams. It must be noted however that generally, SAMRA (Southern Africa Marketing Research Association) accredited interviewers are used to undertake field work to ensure adherence to ethical considerations that minimize data quality compromise. In order to cater for envisaged lack of experience and demands of data collection, all candidates were taken through basic market research principles as part of the training. The training lasted one full day per team and structured as follows for effectiveness;

Stage 1: Lecture-type sessions

To begin with candidates were taken through general research principles and best practice. After that the research consultant intensely trained supervisors during the first few hours and then interviewers during the rest of the day on the questionnaire requirements (i.e. how to administer questions and how to record responses). So during the first stage, interviewers were basically listening and taking notes as much as possible. The stage ended with question and answer sessions and by that time supervisors demonstrated relatively superior command of the survey instrument.

Stage 2: Self-Training Sessions

During the second stage, interviewers were involved in role plays whereby they were interviewing each other in pairs. Such dummy interviews were very good at flushing out areas of weak understanding or problematic areas which the trainers could chip in to clarify. By the end of the second stage, successful interviewers had been identified and allowed to proceed to the next stage of the training.

Stage 3: Pilot Sessions

At this stage interviewers were given one questionnaire each and given time to go out in the field to conduct a real life interview. Finally the team congregated for a debriefing session on experiences with the questionnaire and other associated data collection aspects. The questionnaire was then officially finalised.

For cost-effective project management purposes, interviewer training sessions were conducted in each of the target regions one after another in order to ensure that the same trainers were used. Whereas coordination for all regions was done by the Team Leader, the supervisors were given a substantial amount of involvement in the fieldwork and day to day management side of the study. It is acknowledged that central training was ideal. However, from previous experience, smaller groups are more effective to deal with and yield better group dynamics and cross team learning.

3.6 Data Collection Instruments

Survey instruments were prepared in consultation with the Department of Economic Development, Environment and Tourism. See samples of the survey instruments in Annexure C. Precautions were taken to ensure that all questions were focused on the spelt-out objectives of the study. However the following were part of the questions;

- ❖ is there any significant local awareness on consumerism by consumers?
- ❖ are there any Local Limpopo consumerism awareness campaigns?
- ❖ can consumers seek recourse within Limpopo?
- ❖ what are the representation categories that consumers need?

All instruments were pre-tested and Client-approved before going into the field.

The following precautions were taken to ensure data validity and reliability:

- use of an experienced and well qualified team of interviewers,
- piloting of survey instruments,
- spot-checking interviewers' work to ensure adherence to briefing instructions,
- a minimum of 15% call-backs to clarify vague and suspicious responses and
- involvement of client at key stages of the research process (transparency).

The main challenges faced as well as strategies applied to deal with them are as follows;

- This was an exclusively primary research exercise. However efforts were made to get historical learnings from staff in the relevant Department, the press as well as consumer complaints files from the Department of Consumer Affairs.
- The field team assembled for training on the 16th of April failed the screening standards and was immediately replaced by a new team;
- Suitable group discussion venues (with one way mirror facilities) were difficult to obtain within the time. Where it was impossible to get them, at least one member of the project team, apart from the moderator, sat in the actual group;
- Language diversity is a common research problem which was dealt with through use of local data collectors in all areas;
- Obtaining specific names and contact details for eligible respondents from supplied stakeholder lists was a challenge. An even bigger challenge was to obtain successful appointments. However through the efforts of the Senior Manager assigned to the project plus an introductory letter provided, an 80% interview success rate was achieved for the in-depth interviews.

- The proposal considered sampling two of the five districts only. The justified coverage of all 5 districts was emphasised after approval of the project charter.
- Though assertive and eloquent as data collectors, students' work needed thorough checking as tendencies to include personal opinion was very high. Students tend to be under pressure to impress. This means a lot of time was invested checking their daily returns. Overall involvement of university students made things much easier nevertheless

4.0

Main Findings

4.1 Introduction

This section of the report discusses the main findings of the study from both the qualitative and quantitative phases of the study. For the qualitative research, the findings include verbatim quotations to enable the Consumer Affairs Office to tap into the consumer language. Quantitative figures shown may either be based on the total sample or sub-samples like town, district, gender, age, occupation or economic sector. Figures shown are either percentage of the sample/sub-sample or mean scores derived from a 5 point scale.

Although the target sample was 660 respondents, a total of 649 questionnaires successfully passed data integrity checks and are thus reported on. Some statistical tables showing cross analysis by district, sector and other variables are presented in Annexure D. It is therefore important to read the report in close consultations with these statistical tables to get a complete picture of responses from various segments of the Limpopo population as it is not possible to discuss every single finding in the report. For instance, responses did not show significant variations by occupation and gender and so these variables will not be referred to, in the discussion, but shown in the Excel data tables in Annexure D.

4.2 Background Research & Literature Review

Minimum background search for existing literature was undertaken to provide input into the design of the methodology and instruments. This process included looking at relevant literature on other research that have been conducted, relevant legislation impacting on consumer protection in South Africa as well as an analysis of current efforts by the Consumer Affairs Office in dealing with consumer protection. Press articles also gave insights into the composition of consumer complaints prevalent in South Africa. A review of the consumer complaints files obtained from the Consumer Affairs Office yielded the following theories that were further explored in the subsequent primary research;

- after raw deals with service providers consumers resort to the Consumer Affairs Office for intervention;
- knowledge of the existence and mandate of consumer protection bodies is low;
- consumers have limited knowledge of the existence of the Consumer Act;
- proximity to bodies is a driving factor behind use of protection bodies;
- culture of advocating for redress is virtually non-existent(seem to need a push)
- lodging a complaint becomes necessary where there is potential loss of income.

Although there was no previous research that quantified the impact of consumer rights campaigns, discussions with staff from the Consumer Affairs Office yielded insights that helped configure the study. From various campaign materials including school campaigns and Consumer Rights day literature one gets the impression that there should be ample knowledge about the Consumer Protection Act and the existence of consumer protection bodies among the general populace in Limpopo.

A legal expert was consulted to review the Consumer Protection Act and the output is discussed in the next section.

4.30 The Consumer Protection Act

Consumer protection typically involves issues of choice, issues of information and fair dealing. It involves the *right to safety*, the *right to be informed*, the *right to choose* and the *right to be heard*. The *right to safety* means the right to be protected against products, production processes and services which are hazardous to health or life. The *right to be informed* means the right to be given facts needed to make an informed choice, and to be protected against dishonest or misleading advertising or labeling. The *right to choose* means the right to be able to select from a range of products and services, offered at competitive prices with an assurance of satisfactory quality. The *right to be heard* entails the right to have consumer interests represented in the making and execution of government policy, and in the development of products and services.

The *right to redress* means to receive a fair settlement of just claims, including compensation for misrepresentation, shoddy goods or unsatisfactory services. The *right to consumer education* entails the right to acquire knowledge and skills needed to make informed, confident choices about goods and services while being aware of basic consumer rights and responsibilities and how to act on them.

4.3.1 Overview of the Act

Whilst the National Credit Act gives the right to every “adult natural person, and every juristic person or association of persons” to apply to a credit provider for credit, it prescribes clear parameters of how the individual can expect to be treated by all credit providers and the protection available to an individual applying for credit. The Act goes on to set up bodies whose mandate is to protect the consumer by receiving complaints about the manner in which they are treated by credit providers and, in so far as the Act allows, act in a manner to put right any injustices as set out by the Act. The constitution and powers of the bodies are also clearly set out doing away with any ambiguity when decisions are made and resolutions arrived at.

Of paramount importance, apart from the right of the consumer being clearly set out, is the fact that the credit providers now have to be registered with the National Credit Regulator, whose composition and parameters of operation are laid out in the Act. As a result, their actions with regards to their operations, in so far as the Act states, will be monitored. Credit facilities will no longer be fostered on clients and since now the onus of giving out credit responsibly is to a large extent now placed on the credit provider, consumers will, to a very large extent, be prevented from being over indebted and as a result black listed.

Consumer protection and education is important in all financial markets, particularly in cases where the policy, legal and regulatory environments are changing¹. In a market place that adequately provides access to financial services for the poor, an empowered and well-protected consumer is an important component. An empowered consumer would have both the knowledge and ability to make informed choices and the ability to raise legitimate disputes.

¹ Financial Sector Charter, National Credit Act, 2005, Consumer Protection Bill

There are several different channels that can be used to access recourse. These are broadly categorised as follows:

1. *Recourse channels.*

- *Institutional level* is typically the first interface for raising a complaint. A consumer would usually be required to first complain to the financial institution, credit bureau or service provider directly before raising a complaint through another channel. If not resolved in a reasonable time or satisfactorily, then the dispute can be escalated to another channel. This is consistent with steps consumers in Limpopo take as per the findings from the quantitative study.
- *Judicial channels* (e.g. courts and tribunals). Various different courts exist for different purposes and with different jurisdiction and powers. There was no evidence of prevalence of this channel and others in Limpopo.
- *Sector regulators that handle consumer complaints.* Where the Central Bank for instance would handle some consumer complaints.
- *Other government channels.* Consumer protection office within a ministry.
- *Non Governmental Organisations (NGO)s, debt counselors, private and non-profit lawyers* that support, make use of and surround some/all other channels.
- *Industry associations that handle consumer complaints;*
- *Voluntary or Statutory adjudicators/ombudsman.*

2. *Alternative dispute resolution* - Alternative dispute resolution (ADR) refers to a variety of methods for resolving disputes between parties without traditional legal representation or litigation. Instead, ADR involves a third party--a neutral individual--who works with both parties to the dispute to resolve their differences. ADR is conducted in a manner that is more businesslike and less adversarial than litigation. Each party tells their side of the story to the third party in a setting that's usually less formal than a court proceeding. ADR did not emerge as a common method of accessing recourse in Limpopo.

4.3.2 Consumer Protection and Recourse Mechanism

One of the important facets of the Act is that it set up the creation of the National Credit Regulator (NCR) with who credit providers, in order to operate legally, must register. This in its self means that an individual is straight away protected from “loan sharks” as the Act clearly sets that a credit agreement; entered into by a credit provider who is required to be registered with the NCR, in accordance with the provisions of the Act, but has not, is an unlawful agreement and is void pending qualification such as the mental state of the consumer and whether the individual was a minor unassisted by a guardian. The Act is clear on who can be given credit and the penalties that will be borne by the credit provider for not adhering to the parameters one being simply that credit agreement being rendered unlawful and void.

Another body created by the Act is the National Consumer Tribunal (NCT). The Act allows the NCT to receive complaints concerning alleged contraventions of the Act but can not adjudicate or intervene in any such disputes. What the NCT can do is assist in the informal resolution of the disputes, arising from this act between the consumers on one hand and a credit provider or credit bureau on the other hand. Should this informal intervention fail the NCT can then make an application for adjudication of the matter. It should be noted that “Any decision, judgment or order of the Tribunal” may be served, executed and enforced as if it were an order of the High Court, and is binding on –

- a) the National Credit Regulator;
- b) provincial credit regulators;
- c) a consumer court;
- d) an alternative dispute resolution agent;
- e) a debt counselor and
- f) a Magistrate’s Court.

4.3.3 Debt counselling

Chapter 3 of the Act covers Consumer Credit Industry Regulation and in part A, registration requirement, criteria and procedures section 44 allows for the registration of debt counsellors. In terms of the Act, debt counsellors are able at the behest of the consumer to look into whether the consumer is over indebted or not or has any reckless agreements. In summary, the consumer can ask for protection of itself from making decisions that will only cause it to be in debt that it cannot meet. Further the consumer can be granted the opportunity to re-arrange debt and thus still meet obligations but, in a manner that will enable the consumer to retain dignity.

4.3.4 Credit Bureaus

When a credit provider receives information for a consumer who is requesting credit, all information received is sent through to the credit bureau. When a consumer is awarded the credit and uses it, all the information; the name of the credit provider and disclosure of payments i.e. the amount due, the instalment paid, whether payment is done timeously and so on is sent through to the credit bureau. More importantly the consumer has a central place where it can request information with regards to its indebtedness and;

- prevent itself from being over indebted;
- where credit is declined the consumer can ask for sight of the information used in the assessment and if, in terms of the Act, the decline is discriminatory seek redress and
- generally know its level of debt and therefore manage it responsibly.

A credit provider is able to source this information when assessing whether a consumer is able to obtain more credit and thus meet its obligations that will result from the agreement.

4.3.5 Consumer Education

Section 63 gives a consumer the right to information: to receive any documentation that is required of the Act in an official language that the consumer reads or understands in respect of the said credit. Section 64 and 65 respectively go further to say that, in as reasonable as possible the information given must be in plain and understandable language and that required documentation in terms of the Act must be delivered in the prescribed manner if any. In terms of the Act therefore the consumer can expect not be inundated with information that persuades them to enter into credit agreements that do not spell out, in a form they understand, the implications with regard to the obligations are that caused by accepting the offer presented.

Of primary importance in this section of the Act is section 66 which speaks of the protection of consumer credit rights. Under this section it is clearly stated a credit provider must not penalize or treat in a discriminatory manner a consumer “exercising, asserting or seeking to uphold any right set out in this Act or in a credit agreement”. A consumer therefore should not fear victimization in any way and realise that a complaint can be submitted and that such complaint will be acted upon and redresses will be granted in as far as the Act allows.

What the Act is designed to achieve seems to be in tandem with findings from the in-depth interviews with stakeholders like Mamadi Advice Centre, Limpopo National Community Based Paralegal Association, Mphahlele Advice Office, Banking Ombudsman etc.

4.4 General Consumer Expectations

All respondents were asked for *factors* they consider when deciding on service providers to acquire products and services from, as well as the relative importance of these factors. The importance of each factor was rated on a 5-point scale where 1 means not important at all and 5 means very important. The table below summarises the factors identified spontaneously from the urban and rural districts of Limpopo.

Table 4.4 Importance rating of factors considered in selecting a service provider

		IMPORTANCE RATING ON A 5-POINT SCALE					
CHOICE FACTORS	frequency	urban	Capricorn	Mopani	Sekhukhune	Vhembe	Waterberg
price/affordability	92%	4.77	4.65	4.80	4.77	4.80	4.90
product quality	85%	4.77	4.93	4.39	4.85	4.88	4.78
guarantees/warrantees	37%	4.29	4.63	4.23	4.05	4.25	4.18
calibre of service	32%	4.32	4.15	4.10	4.31	4.80	3.80
convenient location	30%	3.72	3.55	4.0	3.64	3.40	3.75
discounts/promotions/sale	26%	3.96	3.65	3.70	3.87	4.43	4.33
product availability	21%	4.05	3.80	4.23	4.51	4.10	4.00
range of products	12%	3.77	3.38	4.00	3.77	3.70	3.90
provides transport	6%	3.28	3.70	4.03	3.13	2.38	3.45
complaints handling	6%	3.92	3.85	4.05	4.26	4.28	3.20
who owns it	3%	2.31	2.98	3.75	2.26	3.20	2.48

As shown above, shelf price and product quality rank very highly among the supplier choice factors in Limpopo, with more than eight out of ten people citing these as their key considerations when choosing to buy products and services. In a noteworthy third position (37%), before even calibre of service (32%), is provision of guarantees and warrantees. Interestingly warranties fall under the auspices of consumer protection. Convenient location, promotions, product availability and wide range of products are also prominent in the shopper decision process.

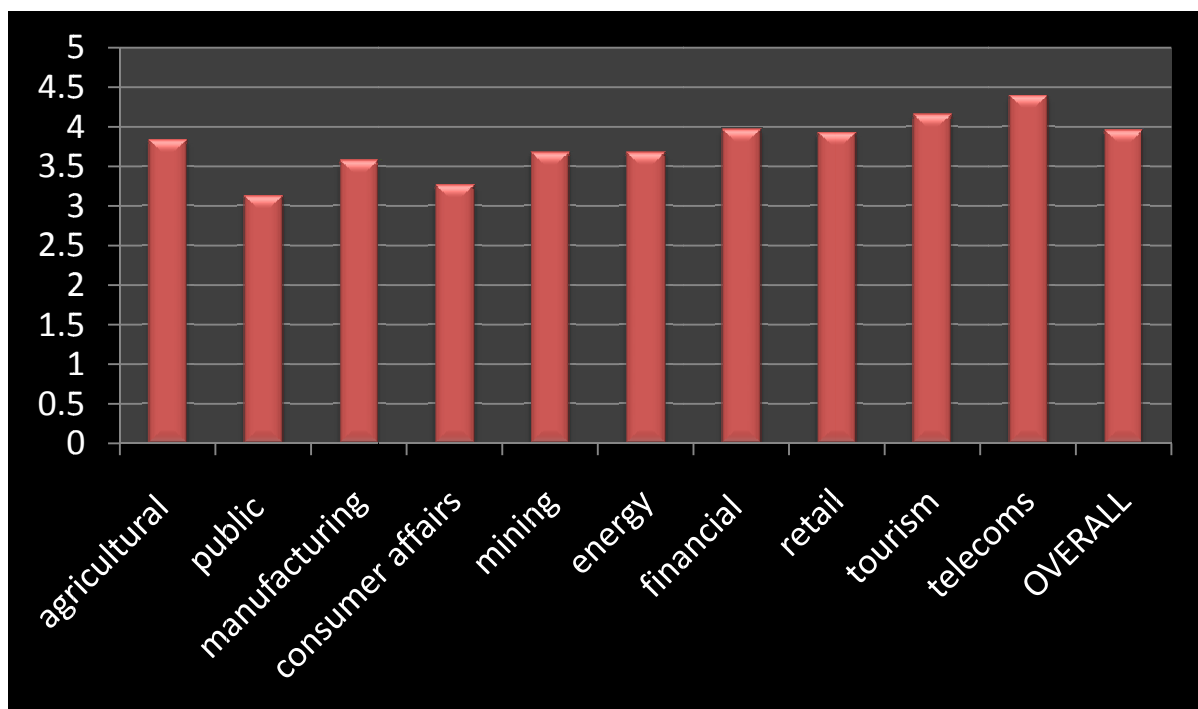
The high importance rating for guarantees and warrantees is clear testimony of the need to ensure consumer protection in the province. Consumers in Capricorn felt more strongly about the need for warranties as a condition for patronizing a service provider. Those in Sekhukhune, compared to other districts, are least harsh on this consideration

but rather preferring suppliers with satisfactory complaints handling procedures. Vhembe and Mopani residents also rated this aspect very important as shown above.

4.5 Opinions and Attitudes Towards Service Delivery in Limpopo

Service delivery is generally seen to be below customer expectations in Limpopo and this is attributable to a number of factors. Chief among these are perceived lack of training for frontline staff, racial imbalance, language diversity and alleged service disparities between urban and rural areas. The graph below shows the service ratings for different business sectors in Limpopo. A 5-point scale (*y-axis*) was used where 1 means very poor and 5 means very good.

Figure 4.5: Sector Service Ratings



As shown above, service delivery effort from the telecommunications sector closely followed by tourism, financial and retail sectors was rated as at least *good*. Service level has a relationship with customer concern. For instance, poor service is indicative of need

for customer protection. Public sector departments were seen in negative light compared to other sectors.

In the group discussions, there were isolated references to lack of acknowledgement of the *customer is king* philosophy. Even with such negative perceptions of the service levels in Limpopo, the culture of complaining and seeking redress was glaringly low. This is partly explained by ignorance of the existence of consumer protection bodies and grievance handling procedures. Concern for employees (in case they get sacked), involvement of senior people in unfair business practice and a wide range of alternative suppliers also explain the low incidence of consumer complaints.

"Let's say the person you want to complain about is the head of department, what do you do then? You don't know where to go" (25-35 female, Makhado).

"When you get bad service you move your business somewhere else" (25-25 female, Polokwane).

There were very isolated references to positive service experiences in Limpopo but respondents were very clear on what their expectations are.

"A good interaction with no attitude and negativity" (25-35 female, Polokwane).

"Customer service is the first thing. I'm referring to when you approach a service provider you need to be treated fairly and with courtesy" (25-35 female, Thohoyandou)

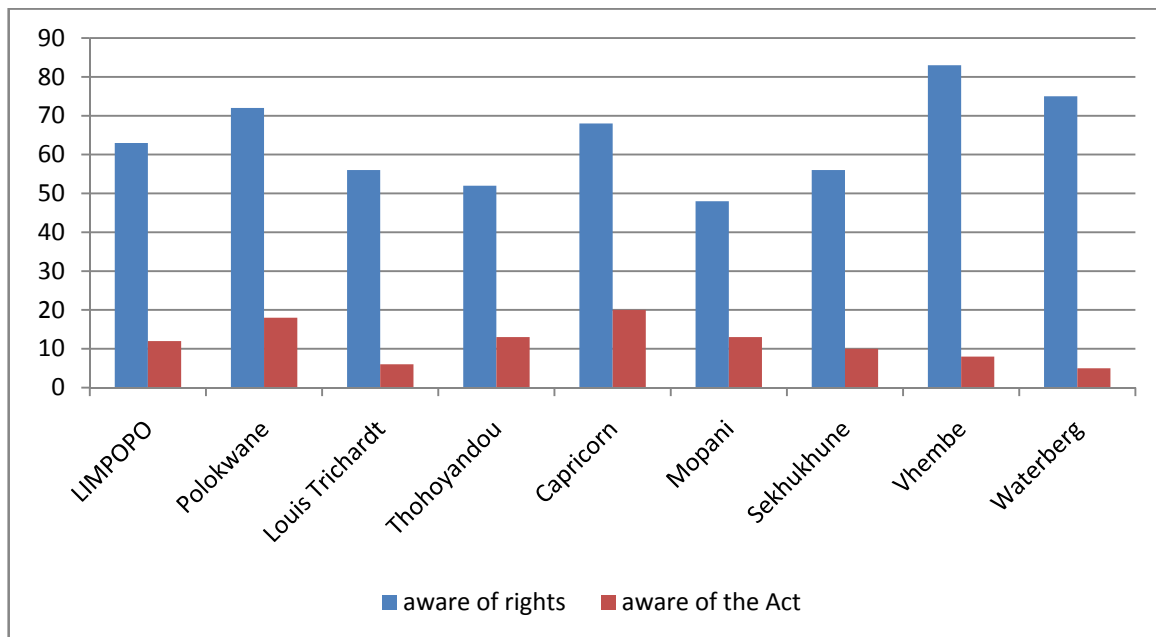
Those who rated service delivery by some sectors negatively cited the following malpractices as the chief reasons for their opinions;

- poor staff remuneration;
- slow service/long queues;
- *insensitivity to customer complaints;*
- poor quality products;
- they are unknown to people they serve and
- corrupt tendencies/soliciting for favours from customers e.t.c.

4.6 Awareness of Consumer Rights

A direct question was asked on whether the people of Limpopo knew that they have rights as consumers as well as whether they knew of the consumer protection legislation. A majority (63%) confirmed that they indeed were conscious of their consumer rights. Vhembe district occupies an emphatic first position on consumer rights awareness as shown below. For some reason, Mopani district lags behind the other districts on this aspect but fares much better than others on knowledge of protection legislation, being second after Capricorn on this aspect.

Figure 4.6: Awareness of consumer rights & the Act



There was no significant difference by gender within each area. As perhaps expected, those in full time employment tended to be more informed about consumer rights than their counterparts in other occupations. The unemployed are least informed at 51%. The graph above further shows that the low level of awareness of the consumer protection legislation is even worrisome across the board, at 12% on average.

This could be one of the barriers for consumer complaints in Limpopo where only 24% said they had ever lodged a complaint as consumers. Vhembe has the highest complaints incidence, at 35% and Capricorn lowest at 18%. People may not feel empowered to complain hence the tendency is that of living with the problems. However after exposure to the Act and explanation about what it is about, 83% of the respondents had something positive to say about the Act's perceived benefits to the general public. (Refer to annexure D tables Section E for details about likes, dislikes and suggestions about the Consumer protection Act). Overall, it came across as some kind of ammunition. A look at awareness of consumer rights by economic sector shows the following scenario;

Table 4.6 Awareness of consumer rights by economic sector

No	Sector	Level of awareness	No	Sector	Level of awareness
1	Agriculture	79 %	4	Government	73%
2	Financial/services	66%	5	Mining	63%
3	Manufacturing	57%	6	Tourism	44%

At 37%, the incidence of people unaware that they do have rights as consumers is very high. Without adequate awareness levels even stakeholders and consumer protection bodies will find it difficult to make an impact. The low awareness level is testimony for need to intensify efforts towards consumer education in Limpopo. As if this is not enough, among those who claimed knowledge of their rights as consumers, there is no popular knowledge of what the officially stipulated consumer rights actually mean in their entirety. From the quantitative survey, 87% of the respondents gave some kind of meaning for the phrase "consumer rights" but the responses were so varied implying that there is no common definite understanding and confirmation of what these are. Interestingly in the quantitative research, it turned out that the most popular definition associated consumer rights with unrestricted shopping.

Rights to choice (77%), to be heard (48%) safety (42%), to be informed (43%), basic needs (42%), healthy environment (35%), redress etc also featured quite prominently as definitions of consumer rights. Other rights were mentioned also but in relatively isolated cases. From the qualitative discussions there were unanimous views on what should not be tolerated by consumers though and the following were popular themes advanced as definitions of consumer rights;

- the customer is always right;
- be treated like a human being without discrimination of any kind;
- be treated with respect because you bring money;
- be given audience especially when there is misunderstanding;
- be satisfied with the quality and the price and
- be allowed to take the product back if not satisfied.

It was interesting to note that the consumers' understanding of consumer rights is associated more with avoidance of shopping restrictions for example time restriction as well as financial limits imposed by banks. One group was so vocal about shopping restrictions that it appeared like in South Africa shopping sprees could easily be classified as some form of entertainment. The desire is to be able to shop anywhere, anytime for any amount.

When asked to generate what they felt should constitute consumer rights, the qualitative exercise showed that, subconsciously, consumers knew they needed to have consumer rights. From the exercise, most respondents were able to mention the officially stipulated consumer rights: *information, safety, healthy environment, consumer education, fair treatment and corrective action*. These were however expressed in many different ways. By and

large, consumer expectations of the composition of the consumer rights are a mirror image of those enunciated in the Act. The two “talk” to each other.

Some respondents expressed very little faith in the rights being adhered to by certain service providers especially the Indian and Chinese service providers. Consumer rights are perceived to be in conflict with business.

“Some of these things are fighting against the business, that is why they are failing to give us the information, because most of the information will be killing them. They know we will be more knowledgeable.” (25-35 male, Makhado).

Reading through and analysing each right, we find that respondents do not find them obvious, easily understandable nor straight forward as they all have their own interpretations of what each one means. This indicates a need for comprehensive and relevant education on consumer rights, also involving vernacular languages.

4.7 Responsibility To Educate The Consumer

Most respondents strongly felt that it is the responsibility of the Government to educate the consumers about their rights. This is mainly because it is only Government that is associated with the protection of the general public in one way or the other. In other cases Government was held responsible because they receive and administer public taxes whilst others strongly felt that,

“In the first place they are the ones who are drafting policies and passing the acts. Those acts are the ones which are governing us. So they have to see to it that the acts are being practised” (25-35 female, Thohoyandou).

In the in-depth interviews, most Stakeholders saw the responsibility lying within business, consumer protection bodies ahead of government.

Table 4.7 Stakeholder responses towards responsibility of consumer rights education

Stakeholder	VOTE (out of 8)
Business	*****
Consumers	**
Consumer Protection Bodies	*****
Government	****
Other – Brand owners and NGOs	***

In some instances, consumers cited possible partnerships between the Government and the service providers (i.e. the business sector). Involvement of the business sector was mainly because they are key beneficiaries of dealings with consumers. However, there was consensus that there is insufficient motivation for business to proactively invest in consumer education, because this is a non-profit making initiative. Businesses by their very nature are inspired by profit and immediate gains. Third in line were consumers themselves.

A few respondents reiterated that the whole process starts with consumers aggressively embracing their rights and voicing concern each time they are violated. The silence culture was deplored in favour of a complaining culture. However, this view was dismissed by some respondents who felt that because of the current transitional phase that South Africa is at, such an approach would yield relatively more harm than good. The incidence of unfair victimisation is considered very high. It was also perceived to have cost implications (e.g. travel and telephone costs) which the general South African would struggle with.

Overall, the results give the impression that, in the long run, a tripartite arrangement (government-business-consumers) is the way to go. However, at this very juncture, government must lead and then invite big businesses to join in as part of their corporate

responsibility before the consumers can embrace the rights as something appreciated by government and service providers. It needs a staggered approach before all three parties take equal responsibility.

4.8 Awareness of Consumer Protection Bodies

There is very limited awareness of consumer protection bodies in Limpopo where about three in four respondents (76%) pleaded ignorance about such organizations. The table below shows awareness levels for the various consumer protection bodies.

Table 4.8 CONSUMER PROTECTION BODIES KNOWN (*expressed as % of areas sample*)

	LIMPOPO	Polokwane	Louis Trichardt	Thohoyandou	Capricorn	Mopani	Sekhukhune	Vhembe	Waterberg
NONE	76	72	80	67	90	83	79	80	85
Government departments	21	22	17	29	23	3	18	33	15
ICASA	20	20	18	28	25	10	13	20	3
NGOs	19	18	20	30	18	18	5	15	8
ASA	13	16	11	22	5	8	10	13	3
Council of Med schemes	12	8	15	20	10	10	13	5	3
Financial Services Board	11	9	9	19	5	5	8	25	-
S. A Consumer Union	6	4	9	9	3	-	8	3	-
<i>National Cons. Forum</i>	5	3	7	10	3	-	-	3	5
Banking Ombudsman	5	6	4	10	-	-	-	3	-
Furniture Ret. Association	5	2	6	7	-	10	5	8	3
National Credit Reg.	5	10	2	6	-	-	5	3	-
Private Organizations	5	7	7	5	-	-	-	10	8
Competition Commission	4	5	4	9	-	-	-	-	-
NERSA	3	3	4	6	-	-	-	-	-
Banking Adjudicator	3	3	3	2	-	-	-	-	-

As shown above, a vast majority of the consumers in Limpopo have no recollection of consumer protection bodies. This significant lack of awareness of existing Consumer Protection bodies further endorses the strong need for prevailing consumer rights

initiatives driven by the Consumer Affairs office. Though mentioned by 21% of the respondents, Government departments are generally not seen as a place to go for help as the employees are not found to be helpful to consumers but rather to fellow government departments. Below are some of the sentiments echoed during group discussions;

".... they will not lose their jobs .. provide very poor service" (36-50 male, Polokwane)

"... they are there to assist each other in their offices" (36-50 male, Thohoyandou)

4.9 Consumer Expectations From Consumer Protection Bodies

In outlining their expectations from Consumer Protection bodies, respondents reiterated a strong desire to be listened to, accessibility to people they can trust and to also see results through amicable resolution of their problems.

"A shoulder to cry on" (25-35 male, Polokwane); "A normal person who is down to earth who can guide you when you need help" (36-50 female, Polokwane).

The table below shows the identified characteristics of an ideal consumer protection body. Clearly as shown below, different age groups have different expectations. However professional conduct and knowledge about the consumer protection law seem to appeal to all age groups to more or less the same extent.

Table 4.9 Identified characteristics of an ideal consumer protection body

CHARACTERISTICS	TOTAL	25-30 years	31-35 years	36-40 years	41-45 years
Cater for all kinds of people	54%	62%	59%	65%	60%
Should be transparent	41%	62%	53%	50%	52%
Educates consumers on their rights	45%	47%	47%	50%	65%
Easily accessible/ convenient location	56%	48%	45%	43%	49%
Deal with issues timeously	50%	37%	38%	32%	24%
Professional conduct	20%	21%	20%	17%	19%
Knowledgeable about the law	24%	22%	16%	17%	21%

Though to a lesser extent, respondents, including stakeholders, also advocated for protection bodies that chronicle complaining procedures to avert losses on the part of the consumer. As alluded to earlier, a sizeable chunk of consumers in Limpopo associate complaining with a cumbersome process, that has time and monetary implications.

“For you to take up a fight it involves costs and it must come out of your pocket” (25-35 male, Makhado).

The typical customer complaints that consumers felt consumer protection bodies needed to be geared for revolved around *blacklisting*, non-payment of *benefits* by previous employer, indiscriminate increase on *instalments* without customer consent, *garnish* orders, disregard for warrants & guarantees etc. Below is a question posed to stakeholders as well as responses obtained.

Q10. Looking into the future, what role do you see your organisation playing in the delivery of the consumer rights message?

- Our organisation plans to organise consumer and business awareness to make sure that none exploit the other. Keep consumers informed about products in the local markets (Mamadi Advice centre)
- Championing role, leading because we're better placed to deal with the consumer. They know us (Limpopo National Community Based Paralegal Association)
- Workshops (Mphahlele Advice Office)
- To get closer to our consumer. Deliver the message harder through aggressive marketing (NHBRC)
- Bring a body that offers a free quick service as an alternative to the court process which is costly and time consuming. We will continue to increase market awareness of our organisation and the role it plays to protect consumer interests (Ombudsman for banking)
- We see ourselves as the transporters of consumer's rights message to the community. We also see ourselves as the cartilage and the occurrence of the existence of consumer rights (Opret Advice Office)

In both the qualitative and quantitative research stages, respondents aware of their rights as consumers were asked if they had ever seen campaigns on consumer protection or consumer rights issues. Findings from the quantitative study indicate that a significant majority (99%) of these respondents pleaded ignorance of such campaigns. The group discussions conducted in the three relatively affluent areas of Polokwane, Louis Trichardt and Thohoyandou revealed the same result. Even in the in-depth interviews, six out of eight stakeholders interviews, had not heard of the campaigns. The consumer rights campaigns have not been noticed to any significant extent.

Although there is evidence within the Consumer Affairs Office of work being done through schools and on the consumer rights day, this research clearly reveals that these efforts are not salient enough in the consumer's minds. Clearly more work still needs to be done, more comprehensively, more consistently and more loudly. Lack of effectiveness could be a matter of irrelevance of the communication channels used, low frequency of activities or simply that the campaigns are not effective in terms of catching attention, linkage to consumer protection bodies and communicating the intended message. It is imperative that communication campaigns are pre-tested with a representative sample of the target audience before launch to achieve the desired objectives.

The HIV & Aids as well as the Arrive Alive campaigns are the most salient and best understood campaigns. They emerged as clear testimony of relevant and consistent campaigns among all group discussions conducted in Limpopo. There was however particular mention of Eskom's current consumer service initiatives through road shows in Thohoyandou. This was not mentioned anywhere else in the study but came across as an exclusively Thohoyandou phenomenon. Perhaps the Consumer Affairs Office could

explore this aspect further as it presents opportunities to partner Eskom in driving the consumerism message home.

"I've seen these Eskom people going through here teaching people about the safest means of using electricity" (35-50 male, Thohoyandou).

Again in Thohoyandou as well as in Polokwane there was reference to a consumer affairs slot on consumer rights on Phalaphala FM which took place in 2006.

"There was this programme on a weekly basis telling us how to deal with these problems" (36-50 male, Polokwane).

Flyers and posters exposed to respondents, as stimulus material during the group discussions, appeared to be seen for the first time. However, respondents showed a positive disposition towards the stimulus material. They were all endorsed as relevant especially if they were presented in all languages and distributed in all public places. In the quantitative stage, suggestions on how to improve consumer rights campaigns were quite diverse but most alluding to relevant, frequent and louder community-based methods e.g. road shows. There was an emphatic call for communication that comes to the people. However, Above The Line (ATL) media was also applauded as a vehicle for conveying consumer protection news, though at a complimentary level to direct methods. Both consumers and stakeholders agreed that current communication efforts need to be more aggressive.

4.11 Media Channels Used as Sources of News and Information

People of Limpopo have access to a diverse range of media as sources of information as shown by the table below;

Table 4.11 REGULAR SOURCES OF NEWS AND INFORMATION

	LIMPOPO	Polokwane	L.Trichardt	Tohoyandou	Capricorn	Mopani	Sekhukhune	Vhembe	Waterberg
radio	94%	92	95	94	89	100	92	95	90
television	90%	89	94	92	92	90	85	80	82
colleagues	75%	80	61	82	90	62	84	77	72
newspaper	69%	77	66	68	49	77	61	54	79
magazines	48%	44	59	55	27	65	33	44	22
internet	21%	27	25	25	7	25	10	2	-
local leaders	20%	13	2	29	2	20	28	37	-

Although conventional media dominates as a source of new information, it is interesting to note that *word of mouth* is quite pronounced across Limpopo. This could be a viable method for consumer education efforts, if properly structured. Road shows and SMSs were also mentioned but by a big minority within each area.

4.12 Opinions About Consumer Awareness Programmes

Inspite of being unaware of consumer rights, campaigns run through schools and on consumer rights day, respondents were asked for their opinions about these initiatives. In almost all cases, the responses were overwhelmingly in favour of the ideas. The schools programme was singled out as an empowering initiative for the children.

“It prepares them to become better consumers” (25-35 female, Polokwane); “They can come back and teach us and we all listen to our children” (36-50 male, Polokwane); “ They will be aware of

their rights from an early age” (25-35 male, Thohoyandou); “If this can be included in the school curriculum” (36-50 male, Thohoyandou)”

On the other hand, the Consumer Rights Day was positively received with the following suggestions made for future events on this day;

- be available at malls talking to us and teaching us;
- must not be a one day thing because consumer complaints are daily things &
- organise for us to meet at a place where we can listen to *them only*.

4.13 Consumer Beliefs

In order to gauge possible mental barriers for seeking redress when exposed to unfair business practice, all respondents were presented with a few psychographic statements and asked for the extent to which they agreed or disagreed with each statement as a true description their belief. A 5-point *agree/disagree scale* was used where 1 meant I disagree strongly and 5 meant I agree strongly. Below are the statements as well as the proportion of respondents who agreed either slightly or strongly with each statement.

- I find it important to know my consumer rights (98%);
- Consumer protection bodies are necessary for local economic development (67%)
- I do not always know where to go and complain as a consumer (67%);
- I believe imported products are of better quality than local stuff (30%);
- I tend to spend big money in bigger towns like Johannesburg (17%) and
- The consumer protection bodies I know are not for me (10%).

It is very clear that residents of Limpopo are receptive to consumer protection initiatives and also consumer empowerment as a crucial ingredient for economic emancipation.

5.0 Conclusions

Opinions and Attitudes towards Service in Limpopo

Overall, service delivery rating in Limpopo is lukewarm. This was attributed to a lack of training, racial imbalance, service in urban areas seen to be better, a lack of respect for the customer and differences within ethnic groups. Language diversity is a key factor too. In spite of this, culture of complaining for unfair business practice is low as consumers fall short of what to do if management of the service provider is unable to assist them. In most cases, they tend to walk away and leave with the problem. In areas like Thohoyandou, the silence culture is exacerbated by concern for employees being dismissed.

Awareness of Consumer rights Campaigns

Awareness of consumer rights campaigns across all districts of Limpopo is very low. Although within the Consumer Affairs Office there is evidence of work being done through schools and on the consumer rights day, this research has found out that these efforts are not salient in the consumer's minds. Even stakeholders pleaded ignorance of any Consumer protection campaigns. Clearly more work still needs to be done, more comprehensively, more consistently and more loudly. Lack of effectiveness could be a matter of irrelevance of the channels used, low frequency of activities or simply that the campaigns are not effective in terms of catching attention (A), linkage to consumer protection bodies (B) and communicating the intended message (C). A good campaign should at least excel on each of these three ABC elements (attention, brand linkage and communication).

The HIV & Aids as well as the Arrive Alive campaigns are the most salient and best understood campaigns in the province. “ *They are frequent & not like Christmas..*”. They emerged as clear testimony of relevant and consistent campaigns among all group discussions conducted in Limpopo. There was however, particular mention of Eskom’s current consumer service initiatives through road shows in Thohoyandou. This was not mentioned anywhere else in the study but came across as an exclusively Thohoyandou phenomenon. Perhaps the Consumer Affairs office could explore this aspect further as it presents opportunities to partner Eskom in their efforts.

Reference was made to a consumer affairs slot on consumer rights on Phalaphala FM which took place in 2006. It appeared like posters exposed to respondents during the groups were being seen for the first time. Respondents had no knowledge of any initiatives being run in *schools* even though they felt that it is a good and empowering initiative for their children.

Awareness of Consumer Rights

A notable proportion of consumers in Limpopo (63%) confirmed that they indeed knew that they have rights as consumers. However knowledge of the Act against unfair business practice was dismally low at 12%. This may perhaps partly explain the consumer apathy when faced with unfair business practice. There was also no clear knowledge of what the officially stipulated consumer rights mean, but a clear understanding and confirmation of what will not be tolerated. Consumer rights are understood to mean, the customer is always right and in some instances the customer should be treated with respect.

When respondents were requested to create rights they would like to have as consumers, they were able to mention the right to information, safety, a healthy environment, consumer education, respect, equal treatment, a right to be heard and a right to redress. The ability to take back something was a key concern in consumer speak. This showed that subconsciously the consumers knew they needed to have more rights but they are not top of mind. Some respondents expressed very little belief in the rights being adhered to by certain service providers, especially the Indian and Chinese service providers. In the consumer's eyes, consumer rights seen to be in conflict with business and if unchecked, may militate against prevailing consumer protection initiatives.

Awareness of Consumer Protection Bodies

There is virtually no awareness of consumer protection bodies in Limpopo with about eight out of ten consumers stating that they are not aware of such bodies. Government Departments, Independent Communication Authority of South Africa (ICASA), NGOs, Advertising Standards Authority, Council of Medical Schemes and Financial Services Board were however mentioned to noteworthy extents at between 11 and 21%. Consumers expressed a strong need for a place to go when they experience unfair business practice. In Thohoyandou, a few respondents were quite surprised, during group discussions to discover that consumer protection bodies existed. In spite of leading the pack, government departments are generally not seen as an effective place to go for help. Government employees are not found to be helpful to consumers but rather with fellow government departments, *"They work for each other better"*.

To be effective and sustainable, a consumer protection body needs to meet the following criteria;

- cater for all kinds of people i.e. ensure fair representation for all;
- should be transparent and avoid corrupt practices;
- proactively and consistently educate consumers on their rights;
- inform consumers about reliable advocacy bodies in Limpopo;
- be easily accessible i.e. be conveniently located;
- deal with issues timeously to avoid consumer follow-ups;
- professional outlook and conduct;
- exude sound knowledge about the law;
- educate consumers about steps to take when seeking redress and
- take up public grievances about poor service in Limpopo.

The above roles clearly show areas where bodies like *National Consumer Forum (NCF)* could leverage on to compliment current efforts and become relevant to the consumer. However consumers strongly felt that it is the responsibility of the Government to educate the consumer about their rights. In some instances, respondents cited possible partnerships between the Government, Consumer bodies and the service providers.

Areas Consumers Need Representation On

The commonest consumer experiences where protection was deemed necessary was blacklisting. Others mentioned, to almost similar extents included non-payment of benefits by previous employer, indiscriminate increase in loan instalments without consumer consent, garnish orders, non-respect for

warranties, non-payment of accidents cover, refusal to replace defective products and refusal to refund student tuition fees in cases of withdrawal.

Consumerism Programmes that would be critical for the province

No new programmes were mentioned as such, save for emphasis on use of suitable media, suitable venues (“come to the people”) and increased frequency of current efforts. The consumers emphasised the importance of communicating consumer information through the radio followed by television and newspapers. Roadshows and billboards were given same prominence as ATL advertising more-so in the rural communities. Research and community-based workshops were also applauded as effective means of ensuring that consumer initiatives from relevant authorities are in synchronisation with consumer aspirations.

Relationship with media

Radio is the most preferred and known to be effective medium of communication. Road shows and workshops were also seen as key support to Above The Line (ATL) communication. Current print material, from the Consumer Affairs Office, was by and large received in positive light but language diversity was a spontaneous request. Usage of taxi ranks, bus stops, clinics and churches were also applauded as relevant communication platforms. Schools based programmes were also endorsed as relevant & key drivers of the consumer rights “*. they grow with the message... we listen to them*”. For future Consumer Rights Days respondents expressed a strong need for information through greater visibility in areas and locations that can reach them and methods of communication that they can relate to.

6.0 Recommendations

- Clearly, consumer rights awareness efforts should not be a once-a-year affair confined to the Consumer Rights day only. There is a far cry for consumer information and empowerment. Research itself especially group discussions were seen as empowering tools. Such *consultative approach* to all consumer protection efforts should therefore be maintained to ensure relevance, effectiveness and sustainability of the programmes.
- Future *campaigns need to be more aggressive, frequent, locally-based and louder*. A more interactive approach complimented by ATL communication will yield intended results. Consumers expressed a strong need for information through greater visibility in areas and locations that can reach them and methods of communication that they can relate to especially radio, television, billboards, roashows and workshops. The Consumer Affairs office's initiatives through direct campaigns, are in the right direction too, but need vigour. AIDs and Arrive Alive campaigns were singled out as model campaigns from which positive elements could be borrowed.
- Lack of effectiveness of current consumer programs are a matter of irrelevance of the channels used, low frequency of activities or simply that the campaigns are not effective in terms of catching attention, linkage to consumer protection bodies and communicating the intended message. It is therefore imperative that communication *campaigns are pre-tested* with a representative sample of the target audience before launch.
- Government should engage big businesses like Eskom as well as existing stakeholders like NCF to help drive the message home in a concerted fashion. Consumer education is, quite sharply, seen as government's job. However, buy-in from the business sector and consumers themselves are critical if consumerism efforts are to translate into local economic growth. It needs to be more of a

tripartite arrangement (i.e. government-business-consumers). Consumers patronize service providers where propensity to short-change consumers is perceived to be low. Indian & Chinese outfits seem most vulnerable and may need to be confronted in one way or another as a show of commitment to consumer protection. Perhaps government should make it their responsibility too, to constantly remind businesses, particularly locally-based ones, of the long-term benefits of fair business practice. It may not be as obvious as it sounds.

- The National Consumer Forum (NCF) and other local consumer protection bodies need to be reappraised to ensure that they include the following as key parts of their mandates;
 - cater for all kinds of people i.e. ensure fair representation for all;
 - should be transparent and avoid corrupt practices;
 - proactively and consistently educate consumers on their rights;
 - inform consumers about reliable advocacy bodies in Limpopo;
 - be easily accessible i.e. be conveniently located;
 - deal with issues timeously to avoid consumer follow-ups;
 - professional outlook and conduct;
 - impart knowledge about the law to the consumer;
 - educate consumers about steps to take when seeking redress and
 - take up public grievances about poor service in Limpopo.

It is also important to ensure that representations are made to ensure that the Act embraces the above elements as well as key areas cited as requiring protection e.g. blacklisting, payment of benefits by employer, loan instalments, garnish orders etc,

ANNEXURE A: PROJECT CHARTER

LIMPOPO PROVINCIAL GOVERNMENT

DEPARTMENT OF ECONOMIC DEVELOPMENT, ENVIRONMENT & TOURISM

CONSUMERISM

1 INTRODUCTION

Improving the socio-economic conditions of households and communities is a fundamental part of the government programs in South Africa. As input into their developmental initiatives, government through its various arms commissions research of various forms through different consultancy firms. This project charter is in response to the briefing provided by the Department of Economic Development, Environment and Tourism.

The Limpopo Provincial Government has acknowledged that local demand conditions are key drivers of the economy and has further acknowledged that consumption, to a level, drive business confidence whilst on the downside erodes savings and places a burden on the state in later years from social welfare grants.

The province contributes less towards the domestic economy (in terms of GDP, at only 4%²) than its share in the national population and the total land area (10%). However, according to a publication by Stats SA, the contribution of the province to the national economy has been increasing steadily from 5.7% in 1995 to 6.5% in 2002 (Stats SA Discussion Paper, November 2002; page 20). The province has the highest population growth rate in South Africa. The large population relative to the small formal economy results in generally low levels of GDP per capita and therefore generally low levels of incomes.

The second observation is that the formal economy in the Limpopo Province is very open, which implies a significant cross-border flow of goods, services and factors of production. Primary and secondary goods production is exported from the province, whereas consumption and other intermediary goods and services are sourced from outside the province. This has resulted in a loss in potential employment and income that could be generated through the processing of goods produced locally. People are thus forced to seek employment outside the province.

Whilst there is a national mandate which says that consumers must be protected, the challenge is the translation of this mandate for the benefit of consumers in the province. Many consumer related bodies such as the Council of Medical Scheme, National Credit Regulator, Competitions Commission, Banking Adjudicator, Banking Ombudsman are operated from and based in Johannesburg. It is one of the hypotheses that the principal act needs to be imbedded on a local level to achieve more awareness. The SA Consumer Union and Government further do not see the impact of current awareness programmes because whilst consumers are lodging complaints little evidence suggesting recourse awareness is evident. Furthermore, the National Consumer Forum Department has tried to resuscitate consumerism bodies but has met with little success. Research has been commissioned to, among other benefits; point out what aspects the department needs to focus in playing their consumerism role.

² Limpopo Provincial Growth and Development Strategy 2004-2014

2. RESEARCH OBJECTIVES

The primary objective of the study is to assess the impact of existing consumerism programmes along the dimensions of awareness, impact, sustainability, effectiveness and efficiency. Further objectives revolve around the following:

- survey bodies which are available in the province to take issues on behalf of clients;
- establish which consumerism programmes would be critical for the province;
- check expenditure patterns of consumer protection programmes running in schools;
- establish roles the **National Consumer Forum** can play in consumer representation;
- establish what areas consumers might need representation by ombudsman and (e.g. *broadcast, consumables, credit, health, vehicles, financial services etc*)
- understand how to ensure all groups (*young-old, rich-poor*) obtain fair representation.

3. RESEARCH METHODOLOGY

The breadth and depth of the research objectives lend themselves towards a multi-pronged approach to the research. Further the objectives require data that is clearly defined and measurable (facts). This calls for primary research. The suitable design will comprise of **qualitative** group discussions with consumers, in-depth interviews with stakeholders and one-on-one structured **quantitative** interviews with the general population (i.e. consumers) as discussed below.

3.1 Qualitative Group Discussions

A method of social interaction, focus group discussions (FGDs), stimulates the expression of thoughts, ideas and experiences. This exploratory approach gives insights into often subconscious motivations and perceptions of the public. It simulates real life dynamics among people of diverse backgrounds. Relevant projective techniques are used to assist those with deficient verbal skills. These techniques include sentence completions, imagery. Trained researchers will be involved in interpretations of responses from the projective responses. A refresher break will be allowed to keep discussions alive. Notes will be taken as well as audio recording of all groups to ensure that all contributions are captured and reported on.

In the current case a total of six (6) group discussions with the **consumers** are proposed and constituted as follows.

LOCATION	Age	Gender	DATE, TIME & VENUE
Makhado	5-34	mixed	to be agreed upon approval
Makhado	5-49	mixed	to be agreed upon approval

Polokwane	5-34	mixed	to be agreed upon approval
Polokwane	5-49	mixed	to be agreed upon approval
Thohoyandou	5-34	mixed	to be agreed upon approval
Thohoyandou	5-49	mixed	to be agreed upon approval

NB: The above design is based on the premise that qualitative research is not about numbers or breadth. It is more about depth of information. However should Client find need for more groups and coverage for more area & segmentes, this would be welcome.

According to the latest South African All Media and Products Survey (AMPs) 2006 data, the Limpopo population is dominated by the black people (97%). The FGDs, being in essence an idea generation design, will therefore be deliberately biased towards the black population of mixed gender and age. It is our well considered view that the three urban locations shown above as well as the deemed economically active age groups chosen (25-49) would suffice in terms of generating the consumerism vocabulary and themes that will be further explored in the more comprehensive and conclusive quantitative phase. Eligible respondents will be recruited at random from various market segments covering working and non-working respondents. All conventional research practice (e.g. screening) protocols will be strictly adhered to to ensure authenticity of the exercise. A focussed Discussion Guide will be agreed with before commencement and will be exposed to the Group schedule in advance so that they may attend to view some of the group discussions. Venues with one way mirror facilities will be hired to facilitate this.

3.2 In-depth Interviews (institutions)

In-depth interviews (IDIs) are in principle the same as FGDs and may be viewed as one-on-one discussions in terms of approach. IDIs are preferable to FGDs in cases where the target group is of an “executive” nature and therefore difficult to summon to attend a group at the researcher-chosen venue. With IDIs the discussion happens at the respondent’s preferred setting, typically their offices or home. In the current case we propose to conduct a maximum of **twelve (12) IDIs** targeted at consumer industry stakeholders or experts.

The Department’s input will be sought on the exact identity and location of eligible respondents. However it is assumed that eligible respondents will be drawn from bodies like *SA Consumer Union, National Consumer Forum, Council of Medical Schemes, National Credit Regulator, Competitions Commission, Banking Adjudicator, Banking Ombudsman and DTI*. The best case scenario would be to receive a sample list. Like FGDs, IDIs are not about numbers or sample size, hence the proposed 12 will suffice in generating the prevailing themes and perceptions on consumerism in Limpopo.

3.3 Quantitative Interviews (consumers)

As the third segment of the study, it is proposed to use a **quantitative**, face to face pen and paper interviews (PAPI) in randomly selected locations in Limpopo. From experience, this approach is more practical and cost-effective compared to telephonic or postal data collection approaches. Other reasons that render the face to face methodology preferable include the following:

- telephone penetration in the majority of African communities is low, often confined to urban areas and tends to be of questionable quality. Telephone lists, which we would need to obtain for random sampling purposes, are usually not readily available nor comprehensive. Even mobile phone numbers are difficult because of their personal nature. Telephone interviews are typically suitable only for very short questionnaires (less than 15 minutes).
- due to the nature of the study and the fact that some of the questions asked may be about personal opinions concerning purchase behavior and expenditure patterns we feel that respondents would give the most honest and comprehensive responses in a face to face setting, “*seeing is believing*”. One on one sessions are more reassuring and it’s relatively easier to establish rapport with the respondent.

It is a requirement that eligible respondents constitute a sample that is representative of the Limpopo consumer population. There are several ways in which such a sample can be achieved. One is to use the population data, another is to use sales figures etc.

3.3.1 Sample Design.

According to the latest AMPs surveys as well as Stats SA publications, Limpopo province is the fourth biggest province in terms of population with about 3.3 million inhabitants where a vast majority (86%) are in rural areas and a mere 14% residing in the urban setting. We propose that eligible respondents be all adults (above 16 years), from *all population groups and socio-economic backgrounds*, drawn from both urban and rural households but disproportionately to reflect the income skew towards urban. The popular multi-stage stratified sampling technique will be adopted which entails;

- ✓ random selection of *regions* within the province;
- ✓ random selection of *residential areas* in sampled urban and rural regions;
- ✓ random selection of primary *sampling points* within the residential areas;
- ✓ random selection of *households* using rigid mechanical walk procedures and
- ✓ random selection of eligible *respondents* in the households using the KISH grid technique.

The following sample structure is proposed and is deemed statistically rigorous enough to yield conclusive market trends.

REGION	TOTAL SAMPLE	URBAN	RURAL
Makhado	180	126	4
Polokwane	240	168	72
Thohoyandou	180	126	54
TOTAL	600	420	180

NB: This is the minimum sample we can consider. Bigger samples are possible where budgets & time allow.

3.3.2 Interviewer Recruitment and Training

Data collectors will be recruited from the unemployed graduate database of the Limpopo province. We will need a team of **30 interviewers** equally split by region. It must be noted however that generally the Consultant normally uses SAMRA (Southern Africa Marketing Research Association) accredited interviewers in order to ensure adherence to ethical considerations that minimise data quality compromise. In order to cater for envisaged

lack of experience and demands of data collection, we propose that all recruited candidates be taken through a basic market research appreciation workshop after which competent ones will be selected to participate in the training. The actual data collection training should take a minimum of two days and structured as follows for effectiveness;

Stage 1: Lecture-type sessions

To begin with candidates are taken through general research principles and best practice. After that the Research consultant will intensely train supervisors during the first few hours and then interviewers during the rest of the day on the questionnaire requirements (i.e. how to administer questions and how to record responses). So during the first day, interviewers are basically listening and taking notes as much as possible. The day will end with question and answer sessions and by that time Supervisors should demonstrate superior command of the survey instrument.

Stage 2: Self-Training Sessions

During the second stage, interviewers will be involved in role plays whereby they will interview each other in pairs. Such dummy interviews are very good at flushing out areas of weak understanding or problematic areas which the trainers can chip in to clarify. During the second day, the trainers will observe and listen more often than they talk. It is critical that the interviewers debate problematic issues among themselves and resort to the supervisors for clarification. By the end of the second stage, successful interviewers will have been identified and allowed to proceed to the next stage of the training. The struggling ones should either be dismissed or handed over to trainers for one-on-one retraining.

Stage 3: Typical Pilot Sessions

At this stage interviewers are given one questionnaire and given a time to go out in field to conduct a real life interview. Finally the team congregates for a debriefing session on experiences with the questionnaire and other associated data collection tools. The questionnaire is then officially finalised.

For cost-effective project management purposes, interviewer training will be conducted in each of the target regions one after another in order to ensure that we use the same trainers. However supervisors will attend all training sessions. Whereas coordination for all regions will be from and by the Johannesburg-based Research Consultant, our supervisors will have a substantial amount of involvement in the fieldwork and day to day management side of the study. We acknowledge that central training may be ideal. However from our experience, smaller groups are more effective to deal with and yield better group dynamics and cross team learnings.

3.3.3 Data Collection Instruments

The Research consultant will draft the survey instruments in consultation with the Department. Precautions will be taken to ensure that all questionnaires focus on the spelt-out objectives of the study. However the following will be part of the questions;

- ❖ is there significant local awareness on consumerism by consumers?
- ❖ are there any Local Limpopo consumerism awareness campaigns?
can consumers seek recourse within Limpopo?
- ❖ what are the representation categories that consumers need?

All instruments will be pre-tested and approved before going into field. We assume that the quantitative questionnaire will be about 30 minutes long, the IDI guide about 60 minutes and the discussion guide 90 minutes.

4. QUALITY CONTROL PROTOCOLS

As part of its data validity and reliability checks the team will ensure the following:

- effective translation of questionnaire into local languages;
- a well trained qualified team of interviewers will conduct the interviews; piloting of survey instruments;
- spot checking interviewers work to ensure adherence to briefing instructions;
- a minimum of 15% call-backs to clarify vague and suspicious responses and involvement of client at key stages of the research process (transparency).

5. DELIVERABLES

The key deliverables are as follows:

- ❖ recruitment and training of a team supervisors and interviewers;
- ❖ primary data collection and associated data integrity checks;
- ❖ written monthly reports to the Department of Economic Development, Environment and Tourism;
- ❖ verbal presentation of results;
- ❖ two hard copy reports and a soft copy and
(with executive summary, background, methodology, findings, conclusions, recommendations etc)

7 RESEARCH TEAM & EXPERIENCE

The Research Team comprises knowledgeable, dedicated, experienced and competent fieldwork individuals that operate throughout the country in both urban and rural areas. This team is relied upon for collecting quality data which is dependable, accurate and credible. Below are key members of the Project supervisory team.

TEAM MEMBER	ROLE
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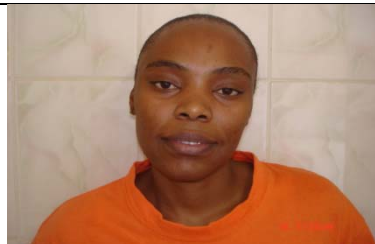
Patson Gasura
(MSC Strategic Management &
BSC Agric-Econ ...)

Patson will be the overall project team leader offering technical guidance and support throughout the project. He has extensive qualitative, quantitative & ethnographic research experience gained through his stint with the likes of Research International during the past 10 years. He is a consumer, customer, social, shopper & employee researcher with projects, people, financial & information management experience from FMCG, media, telecoms, financial & social sectors. Over the years he coordinated research in over 10 African countries and he is a professional member of the Pan African Media Organization (PAMRO) as well as the Southern African Market Research Association (SAMRA). patson@topliners.co.za; 083 423 4554



Veronica Orege
(MA Sociology, BA Sociology
and Literature)

Veronica will be the overall project supervisor who will oversee day to day aspects of the project. She has been a free-lance researcher over the past 13 years and has conducted research with the Steadman Group as well as University of Nairobi both in Kenya. She is familiar with quantitative & qualitative research processes gained under the auspices of social and consumer market research.



Gugulethu Precious Mayisela
(Dip. Management of Training,
Vaal University of Technology)

Gugu will be a project supervisor who will be resident in Limpopo for the duration of the study. She has worked for Research International, among others, as a Research Assistant. Duties included sampling of enumeration areas, drafting questionnaires, face to face and telephonic interviews, transcribing and translating, moderating focus group discussions, editing and coding, basic data analysis and report writing.



Prisca Huni
(BA Honors African
Languages, Dip. in Marketing)

Prisca will be also be a project supervisor who will be resident in Limpopo for the duration of the study. She has 6 years social & marketing research experience gained across Southern Africa. She is excellent in project training and team management. She is currently studying for Bachelor Of Business Administration (IMM, SA).

<i>Management IMM)</i>	
Locally-based fieldworkers	The fieldworkers will be responsible for primary data collection. These will be recruited locally with help of locally-based Dept of labour bodies.

ANNEXURE B: WORKPLAN

	Group Discussions (6)	In-depth Interviews (12)	Quantitative Interviews (600)
Approval & travel plans	5	5	5
Project set-up/training	1	1	3
Respondent recruitment	7	7	na
Data Collection	6	10	14
Data capturing & quality	na	na	5
Transcriptions	3	3	na
Analyses & Reporting	7	7	10
Binding & Dispatch	1	1	1
TOTAL TIME (days)	30	34	38

6. **RESEARCH TIME FRAME**

It is proposed to undertake fieldwork according to the following time lines in days.

NB: weekly progress reports will be sent every Friday.

ANNEXURE C: QUESTIONNAIRE

LIMPOPO CONSUMERISM QUESTIONNAIRE

Job Number: 0301

April-May 2007.

Contact: patson@topliners.co.za; 083 423 4554; 011 787 6500/1

INTRODUCTION

Hello, my name is I work for a South African marketing/social research company called **Turnaround Partners**. As you may know research helps product manufacturers as well as service providers to know the needs and wishes of their current and potential customers. At present we are conducting a survey on consumer-related topics and we would greatly appreciate your views. There is no wrong or right answer. As long as it is your honest opinion. *Would you be willing to participate in a 30-40 minute interview?*

- IF NO OR IN DOUBT CLOSE INTERVIEW AND REPLACE

RESPONDENT NAME:		CONTACT DETAILS	
ADDRESS:		Home Tel	
		Work Tel	
		Mobile	
SUBURB:		Email	
CITY:			
DISTRICT:			
I hereby certify that this is a genuine interview.	Time taken for interview (mins): Date of interview:	FIELD MANAGER: (work checked back by) Personal visit -1 Phone call -2 Sent back to field -3 Not sent back -4	TYPE OF ERRORS Demographics -1 Omission -2 Incorrect question -3 Contradiction -4 Unnecessary question -5 Rotation -6 Other(s) -7
INTERVIEWER NAME & SURNAME		Date/back-checked by:	No. Of Errors:
INTERVIEWER NUMBER		Date/edited by:	Date/coded by:

DEMOGRAPHICS

GENDER	AGE	RACE	OCCUPATION	SECTOR	REGION
Male 3 -1	25-30 yrs 4 -1			Agriculture 7 -1	Louis Trichard urban 8-1
Female -2	31-35 yrs -2	Black 5 -1	Student 6 -1	Government -2	L Trichart rural -2
HOME LANGUAGE	36-40 yrs -3	White -2	Part-Time Job -2	Manufacturing -3	Polokwane urban -3
N. Sotho.....1	41-45 yrs -4	Coloured -3	Full-Time Job -3	Mining -4	Polokwane rural -4
S. Sotho.....2	46-50 yrs -5	Asian -4	Unemployed -4	Service -5	Thohoyandou urban -5
Xhosa.....3			Retired -5	Tourism -6	Thohoyandou rural -6
Tswana.....4	EXACT AGE:				
Vhenda.....5					
Tsonga.....6					
Afr/Eng.....7					
Other.....8					

H/HOLD MONTHLY INCOME: 9_(1) below R2000 (2) 2001-3000 (3) 3001-5000 (4) 5001-7000 (5) 7001-10000 (6) 10000 +

SECTION A: SCREENING QUESTIONS

A1: ASK TO SPEAK TO A MALE OR FEMALE ADULT (25-50YEARS) WHOSE BIRTH DAY COMES NEXT IN THE HOUSEHOLD

A2: We are looking for people who work in certain kinds of companies. Do you or any member of your family, work for? READ OUT OPTIONS FROM GRID BELOW

	YES	NO	
Market Research Company	10-1	2	IF YES TO ANY CLOSE INTERVIEW
Advertising Company	11-1	2	
Department of economic development, environment & tourism	12-1	2	

A2: When last were you or any member of your family interviewed for market research purposes, apart from Census? READ OUT OPTIONS FROM GRID BELOW. SINGLE MENTION ONLY

Less than three months ago	13-1	CLOSE INTERVIEW
Less than six months ago	2	
More than six months ago	3	CONTINUE
Never	4	
Don't know/Can't remember	5	

A3: Which of the following have you been involved in during the last twelve months? READ OUT ONE BY ONE. MULTIPLE MENTIONS POSSIBLE

Bought some property like house, car etc	MMP 14-1	CLOSE IF NONE OF THESE
Bought electrical equipment like radio, TV etc	2	
Bought main grocery	3	
Bought a mobile phone	4	
Claimed for insurance/funeral cover/medical aid	5	
Enrolled for a course/study with an institution	6	
Got electricity installed in your home	7	
Lodged a complaint against a service provider	8	
Obtained/applied for a financial loan	9	
Obtained credit facility	11	
Set-up a small business	12	
Sold agricultural produce on a large scale	13	
Sold mineral products on a large scale	14	
Went on holiday at a local tourist destination	15	
Attended a court session on your case	16	
Holiday time share following an advert	17	

SECTION B: GENERAL CONSUMER EXPECTATIONS

B1: As a consumer, when deciding on suppliers where to buy/obtain products and services for your household, what factors do you take into account? In other words what makes you chose one supplier instead of another? What others? **PROBE FULLY. RECORD ORDER OF MENTION**

B2: How important are the following factors in your choice of service providers?

READ OUT ALL FACTORS INCLUDING THOSE NOT MENTIONED IN B1

CHOICE FACTORS	CODE(B1) MMP	ORDER(B1) (WRITE IN)	Not at all important	Not important	neither	important	Very import ant
Location/distribution	1		1	2	3	4	5
Product availability	2		1	2	3	4	5
Price	3	2	1	2	3	4	5
Customer care/service	4		1	2	3	4	5
Range of products	5		1	2	3	4	5
Provide transport	6		1	2	3	4	5
Product quality	7	1					
Guarantees/warrantees	8		1	2	3	4	5
Complaints handling	9		1	2	3	4	5
Ownership (local vs foreign)	10		1	2	3	4	5
Discounts/promotions/sale	11		1	2	3	4	5
OTHERS	99						

B3: Generally how would you rate the level of consumer service from various service providers in Limpopo province? Would you say service in the **(READ OUT SECTOR)** sector is very poor, poor, neither poor nor good, good or very good? **REPEAT FOR ALL SECTORS.**

SECTOR	Very Poor	Poor	Neither poor nor good	Good	Very Good	Don't Know
Agricultural sector	1	2	3	4	5	9
Government/Public service in general	1	2	3	4	5	9
Manufacturing sector	1	2	3	4	5	9
<i>Government efforts on Consumer protection</i>	1	2	3	4	5	9
Mining/energy sector	1	2	3	4	5	9
Financial/Insurance sector	1	2	3	4	5	9
Retail/Service sector	1	2	3	4	5	9
Tourism sector	1	2	3	4	5	9
Telecommunications sector	1	2	3	4	5	9

B4:

ASK FOR POOREST RATED (codes 1 or 2) SECTOR B3 (UP TO THREE MAXIMUM)

Why do you say (MENTION SECTOR) has poor/very poor service? What else?

FOR ODD NUMBERED QUESTIONNAIRE CHOOSE THREE SECTORS FROM THE TOP OF THE LIST. FOR EVEN NUMBERED QUESTIONNAIRES TAKE THREE SECTORS FROM THE BOTTOM OF THE LIST

1) SECTOR NAME.....

REASONS.....

.....

.....

2) SECTOR NAME.....

REASONS.....

.....

.....

3) SECTOR NAME.....

REASONS.....

.....

.....

SECTION C: AWARENESS OF CONSUMER PROTECTION BODIES

C1: Thinking about all organizations or bodies that are responsible for consumer complaints, please tell me which ones you know or have ever heard of? What others? **PROBE FULLY.**

C2: Apart from those you mentioned which of these organizations have you ever heard of?

HAND RESPONDENT SHOWCARD C2 . MULTIPLE MENTIONS POSSIBLE.

C3: How did you first come to know about(BODY KNOWN) **WRITE IN**

C4: Which of these organization or bodies have you dealt with yourself in the past? What others?

C5: Which of these organizations or bodies are you currently dealing with? What others ?

C6: Which of these organizations do you consider the best for consumer issues?

ONE ANSWER

CONSUMER BODIES	Spontaneous awareness MMP (C1)	Prompted Awareness MMP (C2)	How first Known MMP c3)	Dealt with MMP (C4)	Current dealing (C5) MMP	BEST (C6) OMO
Advertising Standards Authority (ASA)	1	1		1	1	1
Banking Adjudicator	2	2		2	2	2
Banking Ombudsman	3	3		3	3	3
Competition Commission	4	4		4	4	4
Council of Medical schemes	5	5		5	5	5
Financial Services Board (FSB)	6	6		6	6	6
Furniture Retailers Association	7	7		7	7	7
Government departments	8	8		8	8	8
ICASA-Independent Communication Authority of South Africa	9	9		9	9	9
NERSA-National Energy Regulator of South Africa	10	10		10	10	10
<i>National Consumer Forum</i>	11	11		11	11	11
National Credit Regulator	12	12		12	12	12
Non-Governmental Organizations	13	13		13	13	13
SA Consumer Union	14	14		14	14	14
Private Organizations	15	15		15	15	15
OTHERS.....	99	99		99	99	99

C7: Why do you consider (MENTION BEST) the best consumer body? What else?

.....
.....
.....

SECTION D: AWARENESS OF CONSUMER RIGHTS & PREVIOUS CAMPAIGNS

D1: (a) When I say **CONSUMER RIGHTS**, what comes to you mind? (b) What does it mean to you? What else? Please describe fully all your thoughts either negative or positive

D2: (a) Are you aware that you have rights as a consumer? (b) What consumer rights do you know?

D3: a) Have you come across any consumer rights campaigns in the province? b) When was it?

c) Please describe to me the last campaign you saw. What was it called? What did it say?

d) What do you think was the main message of the last campaign you saw? What else?

e) How did you know about (KNOWN CAMPAIGN UP TO THREE)

D1a: CONSUMER RIGHTS THOUGHTS:

Freedom/empowerment/losing money/courts

D1b: MEANING OF CONSUMER RIGHTS:

As a consume

D2a: AWARENESS OF CONSUMER RIGHTS: YES.....1 NO.....2 GO TO D4

D2b: KNOWN CONSUMER RIGHTS

A healthy environment	1
Be heard	2
Be informed	3
Choose/choice	4
Consumer education	5
Redress/corrective action	6
Safety	7
Satisfaction of basic needs	8
OTHERS (SPECIFY)	

D3a: EXPOSURE TO RIGHTS CAMPAIGNS: YES.....1 NO.....2 GO TO D4

D3b: WHEN LAST EXPOSED

Less than 3 months	1	3-6 months	2	6-12 months	3	More than 12 months
--------------------	---	------------	---	-------------	---	---------------------

D3c:

DESCRIPTION OF LAST CAMPAIGN SEEN/WHAT *IT IS CALLED* & WHAT IT SAID

1)

World Consumer Rights Day Celebration/Consumer Month Celebration

2)

School drama competition on consumerism

3)

OTHERS (INTERVIEWER specify)

D3d: MAIN MESSAGE FROM LAST CAMPAIGN SEEN

D3e: HOW KNEW ABOUT CAMPAIGN (WRITE DOWN THE CAMPAIGN)

ASK ALL

D4: What suggestions would you give to responsible authorities to improve the effectiveness of their consumer rights campaigns? What else?

.....

.....

.....

.....

SECTION E: REACTION TO CONSUMER RIGHTS ACT

E1: I am going to show you/read out to you the CONSUMER PROTECTION ACT after which I would like you to tell me your views about it. **READ OUT SUMMARY OF THE ACT BELOW ALLOWING RESPONDENTS AMPLE TIME TO UNDERSTAND IT. READ TWICE.**

*The Government of South Africa has passed a law called the **UNFAIR BUSINESS PRACTICE ACT**. The Act forbids unfair business practices and empowers you, the consumer, to seek redress if you feel that you have been unfairly treated by a business.*

When providers of goods and services act in a manner that harms your interest as some of them do, this is unfair business practice. There are many forms of unfair business practices. These can include the sale of expired products and faulty goods and services. The only way in which you will be able to stop or reduce Unfair Business Practices are to fight for your rights.

ASK ALL:

- a) Did you know about this Act? **YES**.....1 **NO**.....2
- b) What do you particularly **not like** about this act? What others? **PROBE FULLY**
- c) What do you particularly **like** about this act? What others? **PROBE FULLY**
- d) What improvements would you make for this act to be more relevant to you?
PROBE FULLY.

E1b: DISLIKES:
E1c: LIKES:
E1d: SUGGESTED IMPROVEMENTS:

- E2: a) Have you ever lodged a complaint after buying a product or receiving a service?

YES.....1 **CONTINUE** NO.....2 **SKIP TO E3**

- b) What was the complaint about? **PLEASE BRIEFLY DESCRIBE THE COMPLAINT**

.....

- c) How would you rate the way the complaint was handled? **(READ OUT)?**

*Very Unsatisfactory 1: Unsatisfactory 2: Neither satisfactory nor unsatisfactory 3:
Satisfactory 4: Very Satisfactory 5*

E3: a) In your view which bodies are best placed to deal with consumer complaints? **PROBE FULLY**

CONSUMER PROTECTION BODIES	CODE; MMP
Advertising Standards Authority (ASA)	1
Banking Adjudicator	2
Banking Ombudsman	3
Competition Commission	4
Council of Medical schemes	5
Financial Services Board (FSB)	6
Furniture Retailers Association	7
Government departments	8
ICASA- Independent Communication Authority of South Africa	9
NERSA- National Energy Regulatory Authority of South Africa	10
National Consumer Forum	11
National Credit Regulator	12
Non-Governmental Organizations	13
South African Consumer Union	14
Private Organizations	15
DON'T KNOW	
OTHERS (SPECIFY)	

b) What are the characteristics of an ideal consumer protection body? **DESCRIBE FULLY**

CHARACTERISTICS OF AN IDEAL CONSUMER PROTECTION BODY	CODE MMP	ORDER OF MENTION
Constantly educates consumers on their rights	1	
Non-discriminatory (caters for all i.e. old,young, rich, poor etc)	2	
Easily accessible	3	
Efficient/competent/deal with issues fast	4	
Professional conduct	5	
Knowledgeable about relevant legislation	6	
Fairness/transparency	7	
OTHERS (SPECIFY)		

- c) What are some of consumer complaints that you have heard and feel would need involvement of consumer protection bodies? What others? **PROBE FULLY.**
- d) Have you experienced any of the following consumer issues? **READ OUT ONE BY ONE**

CONSUMER COMPLAINTS	CODE E3c MMP	ORDER OF MENTION	PROMPT E3d MMP
Administration Orders via Magistrate	1		1
Blacklisting	2		2
Disappearance of service providers	3		3
Garnish orders	4		4
Pricing issues	5		5
Loan repayment issues	6		6
Macro-lending	7		7
Student/tuition fees issues	8		8
Non-payment of benefits by previous employer/LABOUR issues	9		9
Non-replacement of defective product	10		10
Non-respect for warrant/guarantee	11		11
Increased installment without consumer knowledge	12		12
Non-payment of medical bills by medical aid	13		13
Non-payment of road accident cover	14		14
NONE	15		15
OTHERS (specify)			

- d) Typically what are the three steps you take when you have a consumer complaint? Please list them in order. **BRIEFLY EXPLAIN EACH STEP AND ITS PURPOSE.**

STEP	DESCRIPTION OF STEP & PURPOSE
First	
Second	
Third	

ASK THOSE AWARE OF National Consumer Forum (C1_11)

- e) What role do you think the National Consumer Forum (NCF) should play? In other words what specific tasks should they undertake? What others? **PROBE FULLY.**

People get information about news and current events from many different sources. For each one of the sources I mention, please tell me how often you use that source to get news and information about current events. Would you say you use

(INFORMATIONSOURCE) 1-2 days a week, 3-5 days a week, 6-7 days a week or less often? **REPEAT FOR ALL SOURCES.**

INFORMATION SOURCES	1-2 days a week	3-5 days a wk	6-7 days a wk	Less often	Never/DK
Friends or family members	1	2	3	4	9
International Radio	1	2	3	4	9
International Television	1	2	3	4	9
Internet	1	2	3	4	9
Local radio	1	2	3	4	9
Local Television	1	2	3	4	9
Any Magazine	1	2	3	4	9
Local (provincial) Newspapers	1	2	3	4	9
National Newspapers	1	2	3	4	9
International Newspapers	1	2	3	4	9
Roadshows	1	2	3	4	9
Local Opinion Leaders	1	2	3	4	9

SMS

SECTION G: PSYCHOGRAPHICS

I am now going to read out a few statements that some people have said about themselves. On each I would like you to tell me how much you agree or disagree with the statement as a true description of yourself. :

DESCRIPTION	Disagree strongly	Disagree	Neither agree nor disagree	Agree	Agree strongly
I believe imported products are better quality than local stuff	1	2	3	4	5
Consumer protection bodies are necessary for economic empowerment	1	2	3	4	5
I do not always know where to go when I have a complaint against my service provider	1	2	3	4	5
I find it important to know my consumer rights	1	2	3	4	5
There are plenty of bodies that one can consult for consumer protection	1	2	3	4	5
I tend to spend big money in bigger towns like Johannesburg	1	2	3	4	5
I like to be informed about my rights	1	2	3	4	5
The consumer protection bodies available are not for me	1	2	3	4	5

COMPLETE DEMOGRAPHICS THANK RESPONDENT & CLOSE

ANNEXURE D: STATISTICAL TABLES