

Consumer Rights and Responsibilities

Name: _____ () Class: _____ Date: _____

Objectives:

1. Understand consumer rights and responsibilities
2. Learn about the improper aspects of unfair trade practices
3. Learn about the laws and institutions which uphold consumer rights

Activity 1

Divide students into groups and provide cases for their discussion. Based on the options provided below, ask them to fill in the rights and responsibilities related to each case (can choose more than one item) and explain according

Get into groups and discuss the cases. Fill in the rights and responsibilities related to the case (can choose more than one item) and explain according to the options provided below. Upon completion, send a representative to present to the class.

Select the appropriate rights and responsibilities from the options below and fill in the appropriate blanks in the table of Case 1.

to the options provided below. Upon completion, ask students from each group to send a representative to present to the class.

(a) Receive a product with a certain level of quality as guaranteed	(b) Check carefully whether the product works properly before purchasing
(c) Receive compensation for a poor quality and unsatisfactory product	(d) Return items with original packaging
(e) Keep receipts and warranty certificates for refund or smartphones repair service	(f) Have the responsibility to search for product information, for example taking other users' experience as a reference
(g) Have the responsibility to understand the product is affordable for oneself	(h) Have the right to ensure product safety so as not to pose a hazard
(i) Receive transportation fee compensation for travelling to the store to return the product	(j) Have the right to distinguish between 'needs' and 'wants'
(k) Have the right to receive correct information about the product	(l) Have the right to know the basic rights and responsibilities of consumers

Case 1



I just bought a smartphone at its official store and found that it did not work properly after I got home. However, I have already thrown away the packaging. Can I still get a refund or a free repair service?

His rights: (c) (a) (l)

Explanation:

Consumers have the right to receive a fair compensation if the fault of the smartphone is not caused by the misuse of the consumer, the consumer has the right to get a reasonable compensation, for example, to replace it with another smartphone of the same model or ask for a free repair service. Since the product cannot work properly, he has the right to request for a refund or free repair service regardless of whether he

His responsibilities: (f) (b) (e)

Explanation If there is no proof that the product's fault is not caused by misuse of the consumer, some merchants will not provide a refund. Consumers should do some research before purchasing, for example, whether other users have the same experience, and whether the product is suitable.

still has the packaging. However, he needs to keep the receipt to prove the smartphone was purchased from the store. The warranty should be registered and the warranty terms should be checked right after purchase. During the warranty period, consumers can request the company to repair the smartphone.

Can he get a refund or free repair service?

Yes, consumers have the right to get a quality-guaranteed product. However, if the consumer checked the phone at the time of purchase, the store may refuse to refund because the phone could work properly when purchasing.

Select the appropriate rights and responsibilities from the options below and fill in the appropriate blanks in the table of Case 2.

Ⓐ Request the restaurant to restock immediately to ensure that she can eat prime tuna	Ⓑ Have the right to request the restaurant to make a compensation
Ⓒ Check with the staff for promotion details before being seated	Ⓓ Ask the restaurant to offer a discount as a compensation
Ⓔ Have the right to lodge a complaint with the Consumer Council	Ⓕ Have the right to meet basic dietary needs
Ⓖ Being informed that the restaurant cannot provide the offer before being seated	Ⓗ Have the responsibility to distinguish between 'needs' and 'wants'

Case 2



A Japanese restaurant offered 90% off on prime tuna as a promotion. After being seated in the restaurant, I found out that the prime tuna was sold out. The restaurant owner asked me to spend at least \$100 before leaving!

Her rights: (g) (e)

Explanation:

Consumers have the right to get the correct information. The restaurant should provide sufficient information, for example, whether the prime tuna has been sold out, so that consumers can choose whether to dine in the restaurant. She has the right to leave without any consumption.

Consumers should also have ways to express their opinions. She can lodge a complaint with the Consumer Council.

Her responsibilities: (c)

Explanation:

The promotional materials of the merchants may not provide comprehensive information about the service. Consumers have the responsibility to ask the merchants for details.

Consumers should get sufficient information before making consumption decisions, in order to avoid making a wrong purchasing decision

Does the restaurant owner act reasonably?

No. In this case, the restaurant owner has the responsibility to provide consumers all-rounded information.

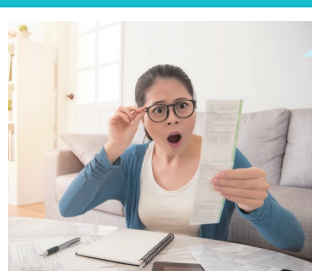
When the consumer is informed that the offer is not available, the customer has the right not to dine in the restaurant and leave immediately.

However, some restaurants may have a minimum spending. After getting in the restaurant, the consumers may be required to spend at least a certain amount.

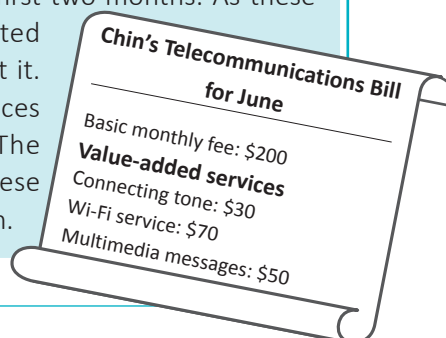
Select the appropriate rights and responsibilities from the options below and fill in the appropriate blanks in the table of Case 3.

(a) Learn about the fees and terms for the top-up services	(b) Check the bill regularly to make sure the amount and services subscribed is correct
(c) Before receiving the free top-up services, make sure you need the service and know the duration of the free trial period	(d) Have the right to choose the services she needs freely
(e) Have the right to obtain the essential daily telecommunications service	(f) Have the right to waive the related fees
(g) Have the responsibility to distinguish between 'needs' and 'wants'	(h) Have the right to lodge a complaint with the Communications Authority
(i) Have the responsibility to avoid subscribing to unnecessary top-up services hastily	(j) Have the responsibility to compare the services provided by different mobile phone service operators

Case 3



When signing the contract, the mobile phone service operator provided free top-up services for the first two months. As these services were free of charge, I accepted them without thinking too much about it. In the third month these top-up services fees were also included in the bill. The operator stated that I must pay for these services even though I did not use them.



Her rights: (d) (h)

Explanation:

She has the right to cancel unwanted top-up services and only keep the ones she needs. Consumers should have a channel to express their opinion. She can lodge a complaint with the Communications Authority who will look into it.

Her responsibilities: (c) (a) (b) (i) Although those top-up services are free of charge, consumers should not subscribe the services if they do not need them. When signing the contracts, consumers can ask the mobile phone service operators to cancel particular top-up services.

Explanation:

Consumers should ask the mobile phone service operators if they would need confirmation before receiving the top-up service in the third month after the two-month free trail.
If consumers choose to use autopay services, they may not be able to notice immediately that the bill has included the charge of top-up services, leading to losses.
Consumers need to consider carefully before receiving any service, avoid hasty decisions.

How can consumers avoid paying for unwanted top-up services?

If a consumer chooses to cancel the top-up services before the free trial period expires, she will not need to pay for the top-up services.

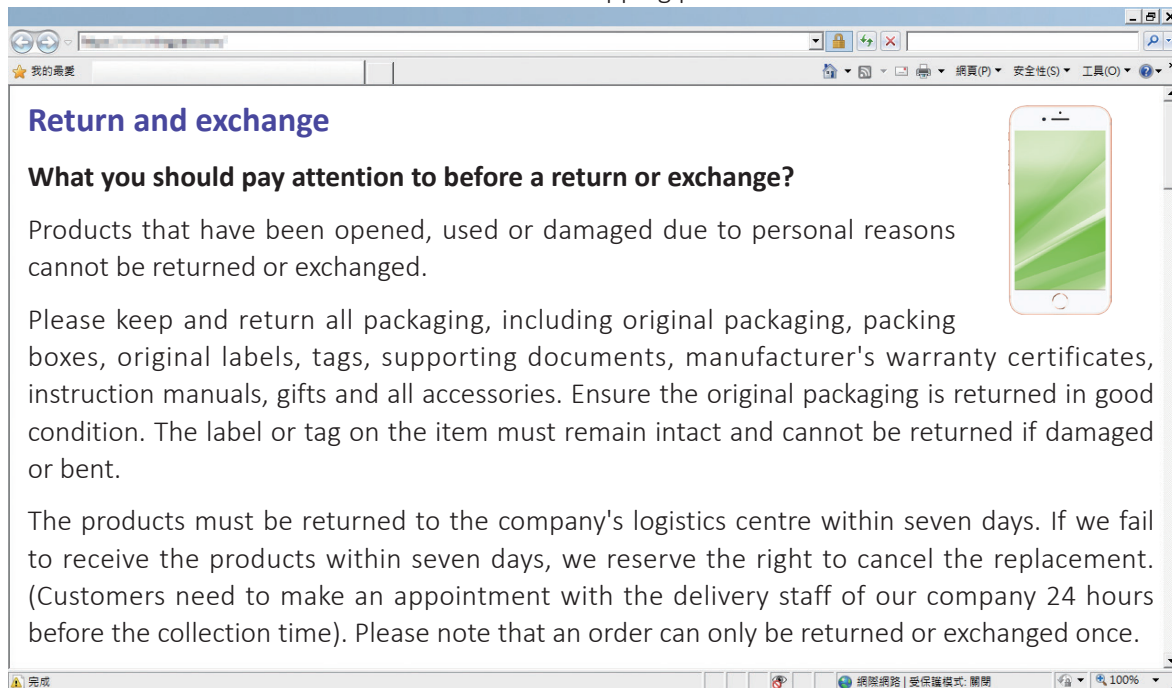
Explanation: According to the *Industry Code of Practice for Telecommunications Service Contracts*, consumers are free to decide whether to accept and use the free trial services.

If the free trial services may be charged after the free trial period, service operators must explain the withdrawal process of the services when making suggestions to customers. Consumers should also to check the bill to confirm the services subscribed.

Activity 2

The discussions on consumer rights and responsibilities from Activity 1 do not only apply to physical stores but also to online shops. Consumers also need to pay attention to the related rights and responsibilities when shopping online.

Reference: Goods return notice from an online shopping platform



Return and exchange

What you should pay attention to before a return or exchange?

Products that have been opened, used or damaged due to personal reasons cannot be returned or exchanged.

Please keep and return all packaging, including original packaging, packing boxes, original labels, tags, supporting documents, manufacturer's warranty certificates, instruction manuals, gifts and all accessories. Ensure the original packaging is returned in good condition. The label or tag on the item must remain intact and cannot be returned if damaged or bent.

The products must be returned to the company's logistics centre within seven days. If we fail to receive the products within seven days, we reserve the right to cancel the replacement. (Customers need to make an appointment with the delivery staff of our company 24 hours before the collection time). Please note that an order can only be returned or exchanged once.

1. What do we need to pay attention to when buying products or services online? List three of them.

We need to pay attention to the details of the products or services, whether there are additional fees, reviews from other consumers, after-sales services, refund policy, warranty.

2. According to the above information, can you get a refund from shopping online?

It depends on the refund policy of the online shop.
For example, if consumers purchase on Taobao, they can contact the customer services officer to request a refund, or provide a photo to prove that the product has a problem.
Informal online shops on social networks provide weaker protection. Consumers should read the refund policies before purchasing.

Reference: *The Sale of Goods Ordinance*

According to the *Sale of Goods Ordinance*, even if the store states that 'Products sold are non-returnable and non-exchangeable', consumers can also negotiate with the store for the compensation if the products sold do not meet the following four conditions.

1. The store has the right to sell the goods. That is to say, the store legitimately purchases, manufactures the goods or is authorised by the owner to sell the goods.
2. Any verbal or written description or sample demonstrations of the goods must be true and correct.
3. The goods must be able to perform their intended functions.
4. The quality of the goods, including their usability, appearance, integrity, safety and durability must be of a certain standard. For example, electronic products need to meet safety standards.

Activity 3

Select one of the cases below, ask students to play one of the roles in the cases and read the dialogue. Upon completion, start a group discussion and ask them to present to the teacher and classmates.

Group discussion and role play (Unfair trade practices)

Get into groups and discuss the cases. Upon completion, send a representative to report to the teacher and classmates.

The Consumer Council

The Consumer Council has formulated the *Guide to Consumer Rights and Responsibilities*, which includes eight basic consumer rights:

- ◆ The right to satisfy basic needs
- ◆ The right to safety
- ◆ The right to be informed
- ◆ The right to choose
- ◆ The right to be heard (opinion)
- ◆ The right to redress
- ◆ The right to consumer education
- ◆ The right to a healthy and sustainable environment

Case 1 (Suitable for less capable students)

Refer to the information below:

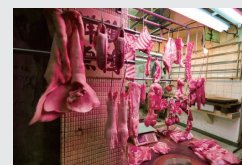
Hong Kong News

Hong Kong Daily

2017-04-02

Food safety problems break out in Brazil Hong Kong bans Brazilian meat imports

[Summary reports] The Centre for Food Safety of the Food and Environmental Hygiene Department announced that some meat imported from Brazil has had quality problems. The Centre for Food Safety has temporarily banned all imports of frozen and chilled meat from Brazil with immediate effect.



The Centre for Food Safety will test the compliance with the legal requirements of Hong Kong of the food samples to ensure the food safety and protect the health of the public.

A conversation between a meat stall owner and staff

Staff: 'Oh no! Recently, there have been reports showing that meat imported from Brazil contains carcinogens. Many frequent customers no longer visit the stall.'

Owner: 'Remove the food origin labels of the meat immediately and don't tell the customers that the meat comes from Brazil.'

Staff: 'If the customers ask where does the meat come from, how should I answer?'

Owner: 'You don't have to answer them directly, just tell them to rest assured and buy! If the customers continue to ask, just say the meat comes from South America.'



After dividing students into groups, ask them to play the roles of staff and customer respectively.

Staff: According to the instructions of the owner, sell the meat products to the customer.

Customer: Based on consumer rights, request to know the origin of the goods. If the staff refuses to answer, she / he can lodge a complaint with related parties.

Discuss the questions below:

1. What bad business practice does the meat stall owner use to attract customers? What is wrong with this practice?

The meat stall owner covers up important information on purpose and misleads consumers to believe the product is safe.

It is unethical to deceive customers to make a purchase. It may also harm customers' health.

2. Have you ever seen similar sales practices? What would you do?

Open-ended answer:

Reference answer: The risks of some beauty treatments may be ignored.

For example, a few people in Hong Kong were killed after liposuction, but the beauty companies often do not mention the risks when promoting the service.

Before making a purchase decision, I will collect sufficient information, for example, asking the store about the place of origins and risks, and asking consumers who have purchased the same product or service for their experience through the internet.

Additional information

Case 1

Before the role play: Teachers can remind students that the role play must include the following key points:

- The staff must sell the meat products and cover up the source of the products according to the teacher's instruction.
- The customer must ask questions, quote consumer rights and make complaints.

After the role play: Teachers can provide additional information, such as:

1. Explain the meaning that consumers have 'The right to safety' and 'The right to be informed.'


- The right to safety: To be protected against products, production processes and services which are hazardous to health or life.
- The right to be informed: To be provided with the facts needed to make an informed choice, and to be protected against dishonest or misleading advertising and labelling. Information to consumers such as product specification, place of origin, safety warnings, price, payment method, duration of quality assurance, description of after-sale services, warranty, ingredient, nutritional facts, etc.

2. Teachers can also point out complaint channels. For example, consumers can call the Consumer Council and the Food and Environmental Hygiene Department.

Case 2 (Suitable for more capable students)

Refer to the information below:

Information 1: Body-slimming advertisement from a beauty centre



Artificial intelligence quantum magnetic lipolysis

The latest body-slimming technology, verified by university research
Countless successful cases over the years

Lose 20 pounds in a week, zero risks
Special offer for the whole treatment \$3,999


Information 2: Conversation between Tsz Yan and Siu Man


<

Tsz Yan

⋮

Just got this promotion. The 'artificial intelligence quantum magnetic lipolysis' service of this beauty centre sounds great! 😍







I have never heard of this body-slimming method. 🤔 Does it work?

Siu Man

Sure it works! The ad claims that it is the latest technology proven by a university. It works quickly without risks.






But I think it's questionable.

Siu Man

I am going to sign up now. Don't be jealous after I get slimmer! 😊😜



😊

Send

Role play requirements

After dividing into groups, ask students to play the roles of Tsz Yan and Siu Man respectively. Students who play Siu Man need to give reasons to persuade their groupmate who play Tsz Yan not to trust the body-slimming advertisement.

Upon completion, discuss the questions below:

1. What bad business practices have been used in the above advertisement to attract customers?
What is wrong with this practice?

The advertisement description is exaggerated and unfounded. Non-scientifically proved methods may affect health

and covering up the risks involved may also harm consumers.

2. Have you ever seen similar sales practices? What would you do?

Open-ended answer.

Reference answer: Some descriptions of tutorial centres and health products are exaggerated. Actually, these

products/services are not as effective as what the advertisement may claim. For example, some tutorial centres

claim they can greatly improve their students' examination performance quickly and have many successful track

records. But in fact, those students who have excellent results might not be the students of the tutorial centres.

Additional information

Case 2

Before the role play: Teachers can remind students that the role play must include the following key points:

- Siu Man must explain why the body-slimming advertisement is not credible.
- Can recommend more appropriate slimming methods to Tsz Yan.

After the role play: Teacher can provide additional information, such as:

1. Point out that consumers are responsible for seeking information before purchasing services
 - Search for product information, for example, if the advertisement descriptions are true
 - Ask experiences of other users as reference and do not trust the advertisements descriptions alone
 - Assess safety, for example, if taking pills will affect health.
2. Better ways of slimming
 - Suggest Tsz Yan to do exercises weight loss. Do not expect to lose weight without putting in any effort.
 - Maintain a balanced diet and pay attention to the appropriate amount of nutrition intake.

Summary

1. Consumer rights:

- ◆ Obtain correct information. Merchants must provide sufficient and reliable information for consumers to make choices.
- ◆ Freedom to choose. There are many types of quality-guaranteed products and services to choose from.
- ◆ Get fair compensations. When the quality of the products or services are poor, consumers have the right to get reasonable compensations.

2. Consumer responsibilities:

- ◆ Do not fully believe in the contents of advertisements or promotional materials. Take the initiative to check the details.
- ◆ Make sure that the products or services meet your needs.
- ◆ Avoid impulsive purchase decisions and being misled by misrepresentation or exaggeration.
- ◆ Make sure the products work properly before purchasing.

Extension activity

Go to a store nearby to learn about its refund policy:

Store name	Refund policy
Supermarket	Time limit for return: _____ Day Accept unconditional return: Yes/ No Others: _____
Electrical appliances store	Time limit for return: _____ Day Accept unconditional return: Yes/ No Others: _____
	Time limit for return: _____ Day Accept unconditional return: Yes/ No Others: _____

