

## 8 Consumer Laws you should know before buying anything during Black Friday – including returns and refunds

<https://businesstech.co.za/news/black-friday/533814/8-laws-you-should-know-before-buying-anything-during-black-friday-in-south-africa-including-returns-and-refunds/>

If a business is marketing, distributing, manufacturing, or selling goods and services in South Africa, they must comply with the Consumer Protection Act (CPA) irrespective of the size of the business or whether the company is formal or informal, says the Consumer Goods & Service Ombud (CGSO).

With Black Friday and the festive shopping season around the corner, the Ombudsman has outlined the necessary regulations to be aware of when buying or selling something in South Africa.

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### Cooling off period after direct marketing (Section 16 of CPA)

If a business markets any goods and services to consumers through social media messages, email, approaching them directly, telephonically or SMS, they have five days to cancel the contract without any penalties and to be refunded any monies paid to them within 15 business days after they receive the notice of rescission or receiving any goods that the customer had in their possession.

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### Display of prices of goods and services (Section 23 of CPA)

Businesses are required to display a price if advertising any goods or service to the public, unless:

- The goods are displayed predominantly as a form of advertisement of a business.
  - The goods are in an area within the premises where the public does not ordinarily have access.
  - The business has provided a price estimate for repair and maintenance services.
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### Return and refunds

The Ombudsman said it is essential for businesses to have a returns and refunds policy to cover instances where consumers change their minds about the products and services bought or ordered.

It added that customers could legally return goods and receive a full refund under the following circumstances:

- When the goods are defective, unless if they were tampered with contrary to instructions or they got damaged after leaving the control of the supplier (consumer negligence);
  - Goods bought because of direct marketing and the consumers have cancelled within the five-day cooling-off period.
  - When the goods are purchased from a catalogue, and they do not fit the description.
  - Goods that the consumer did not have the opportunity to inspect are not fit for the consumer's requirements.
  - Goods delivered are not as per order or are mixed.
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### Implied warranty of quality (Section 56 of CPA)

The Ombudsman said that customers have the right to receive a refund, replacement, or repair at their own choice if the goods bought from a business are defective within six months of purchase.

This automatic warranty is in addition to the businesses' own or manufacturer's warranty, it said.

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### **Fixed-term contracts (Section 14 of CPA)**

Fixed-term contracts can only be for two years unless it can be shown that the longer period provides the consumer with a financial benefit.

The Ombudsman said that the contract could be cancelled as follows:

- Upon expiry of the fixed-term without any penalty or charge. Where the consumer fails to cancel, the contract will convert into a month-to-month agreement that can also be cancelled without any penalties after the consumer has given a month's notice.
  - By giving the supplier 20 business days' notice, however, a business can charge a reasonable cancellation penalty. It is good practice for a business to indicate its cancellation penalties upfront.
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### **Service standards**

The CPA said that customers are entitled to the following as part of key consumer service requirements:

- Timely performance and completion of services.
  - Timely notice of any unavoidable delays in the performance of the services.
  - High-quality services, which consumers are entitled to expect.
  - Use, delivery, or installation of goods that are free of defects and a quality that persons are generally entitled to expect if any such goods are required for the performance of the services.
  - Suppliers are required to remedy any defects in the quality of services performed or goods supplied or refund the consumers a reasonable portion of the price paid for the services performed and goods provided in the event these are sub-standard.
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### **Repair and maintenance services**

Businesses must acquire the approval of the customer before effecting any repair or maintenance services by providing the following:

- A breakdown and the total amount to be charged if the repair or maintenance is done.
  - The nature and extent of the repair or maintenance.
  - The period of validity of the quote; and
  - The period within which the consumer must collect the goods and the consequence if he or she does not do so.
  - The business must warrant every new or recondensed part installed during the repair or maintenance work for a period of three months from the date of installation.
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### **Product liability (Section 61 of CPA)**

Any goods that businesses sell must meet all approved standards and be safe. This is because producers, importers, distributors, and retailers of any goods are liable for death or injury caused by

the supply of unsafe goods, product failure, defect or hazard in any goods, as well as where such harm is at the result of inadequate instruction or warnings being given to the consumer.

The customer can also claim damages in these instances, the Ombudsman said.