



CGSO Press Release on Black Friday November 2019

RIGHTS & RESPONSIBILITIES OF CONSUMERS & SUPPLIERS DURING BLACK FRIDAY

The countdown to Black Friday, the annual biggest shopping day for discounted goods and services has started. Consumers view Black Friday as an extraordinary event and associate it with extreme price discounts, thus compelling them to make purchasing decisions they would otherwise not make. Black Friday is a cash cow for both brick-and-mortar retailers as well as online retailers. Based on previous complaints, the CGSO wishes to provide some guidelines to consumers and suppliers regarding their rights and responsibilities in terms of the Consumer Protection Act.

Magauta Mphahlele, the Consumer Goods & Services Ombudsman, said that most complaints received about Black Friday relate to late deliveries, bait marketing, limited stock, pricing mismatches and quality of goods. Based on these complaints the CGSO would like to give advice on things consumers and suppliers should take note of during Black Friday.

Store Return Policies and Section 55 & 56 of the Consumer Protection Act

All goods carry a six months Consumer Protection Act (CPA) implied warranty. This means that if goods show a defect within six months of purchase, consumers can return them and elect to have the goods replaced, refunded or repaired, the choice is that of the consumer but the defect has to be a material defect and the goods should not have been tampered with or damaged by the consumer. It is therefore important to follow manufacturer instructions in handling and installing the goods.

In addition whilst shopping for Black Friday, ensure that you know and understand the supplier's return policy because unless the goods are defective as mentioned above, you can only return if the store has a return policy that covers change of mind returns. You will therefore only be allowed to return the goods if they do have a return policy and only within the terms and conditions of that specific return policy.

A supplier can decide on their own terms and conditions to include in their return policies for when you just don't like an item or regret buying it, as long as it is not in contravention with the Consumer Protection Act, for instance, if goods are not defective a supplier can include provisions that stipulate the rules of return. These provisions may limit returns for example:

- ✚ Must be in its original packaging and unused
- ✚ Must return the goods with a till slip
- ✚ Must return the goods within a specified time period

Online Transactions

When purchasing goods online it is important to note that most goods have a cooling-off period of 7 days.



**CGSO Press Release on Black Friday
November 2019**

The cooling-off period is provided for in terms of section 44 of the Electronic Communication & Transaction Act (ECTA):

- (1) A consumer is entitled to cancel without reason and without penalty any transaction and any related credit agreement for the supply-
 - (a) of goods within seven days after the date of the receipt of the goods.
 - (b) of services within seven days after the date of the conclusion of the agreement.
- (2) The only charge that may be levied on the consumer is the direct cost of returning the goods.
- (3) If payment for the goods or services has been affected prior to a consumer exercising a right referred to in subsection (1), the consumer is entitled to a full refund of such payment, which refund must be made within 30 days of the date of cancellation.

Although you might be able to return some of your online purchases it is still advisable to take extreme care when purchasing online. The office of the CGSO has seen an increase in complaints relating to online transactions where consumers were duped into paying for goods and services but never received delivery. In order to avoid encountering problems with purchasing online, we advise consumers to take the following precautionary measures:

- ✚ Use well known and reputable sites.
- ✚ Ensure that there are valid contact details where you can lodge a complaint or query after a transaction.
- ✚ Make sure you are aware of the delivery time-frame, to ensure that you will receive the goods on or before the date you require the goods.
- ✚ Read the terms and conditions and check for any hidden prices.
- ✚ Check the internet for any complaints about that supplier.
- ✚ Use secure payment platforms and keep records of the transaction.

Warning to Suppliers: Bait Marketing, section 30 of the Consumer Protection Act

When advertising specials for Black Friday suppliers must have the goods available at the advertised price and quantity. Should the stock be limited, this must be disclosed in the advertisement.

Section 30 of the Consumer Protection Act provides as follows:

**CGSO Press Release on Black Friday
November 2019**

- (1) A supplier must not advertise any particular goods or services as being available at a specified price in a manner that may result in consumers being misled or deceived in any respect relating to the actual availability of those goods or services from that supplier, at that advertised price.
- (2) If a supplier advertises particular goods or services as being available at a specified price, and the advertisement expressly states a limitation in respect of the availability of those goods or services from that supplier at that price, the supplier must make those goods or services available at that price, to the extent of the expressed limits.
- (3) It is a defence to an alleged failure to comply with subsection (1) or (2) if—
 - (a) the supplier offered to supply or procure another person to supply a consumer with the same or equivalent goods or services of the kind advertised within a reasonable time, in a reasonable quantity, and at the advertised price.

Deliveries and Services

With regards to deliveries, consumers have the following rights:

- ✓ **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 of a quality that persons are generally entitled to expect*, if any such goods are required for performance of the services.

Ms Mphahlele advised that 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 supplied, in the event of these being sub-standard.

Financial Tips

- Start planning early
- Do your research well before Black Friday
- Compare Prices
- Create a shopping list



CGSO Press Release on Black Friday
November 2019

- Set up a budget
- Look for early-bird shopper discounts
- Plan where you want to shop
- Avoid Impulse buying

ISSUED BY **OUMA RAMARU** ON BEHALF OF THE CONSUMER GOODS AND SERVICES OMBUD

TEL: (011) 781-2607 CELL: 073 899 9551

EMAIL: oumar@cgso.org.za

CGSO sharecall helpline (0860 000272)

ABOUT THE CGSO

The Office of the **Consumer Goods and Services Ombud** (CGSO) is the consumer goods and services industry's compulsory Ombud scheme which has been accredited by the Minister of Trade and Industry in terms of section 82(2) of the **Consumer Protection Act (CPA)**. The CGSO enforces the Consumer Goods and Services Industry Code of Conduct by mediating disputes between consumers and suppliers of goods and services. The service is free to consumers.