

Press release on advisory report
Complaints procedures

SER COMMITTEE WANTS MORE EFFECTIVE APPROACH TO CONSUMER COMPLAINTS

29 August 2005

Companies should deal more effectively with consumer complaints. Too often, they fail to resolve complaints properly or take too long to do so. Companies should also publicise the fact that they are associated with a disputes committee.

The negotiations between organisations of industry and trade on one side and consumer organisations on the other concerning general terms and conditions – which are organised by the Social and Economic Council – should henceforth also cover the way complaints are dealt with.

The negotiations should conclude with the inauguration of a new disputes committee.

These are the recommendations put forward in an advisory report submitted to the Dutch State Secretary for Economic Affairs, Ms Karien van Gennip, by the Social and Economic Council's Committee for Consumer Affairs (CCA). When she requested the Committee's advice, she wrote that a quarter of customers who have complaints take their business elsewhere because they are dissatisfied with the way their grievance has been handled. Ms Van Gennip also pointed out that most transactions between consumers and suppliers are satisfactory to both parties, and that companies generally recognise the importance of proper complaints procedures.

According to the CCA, there is no need to introduce a code of behaviour at the moment, the alternative suggested by the State Secretary as a means of arriving at better complaints procedures. Every two years, the CCA will assess whether companies have improved their approach to complaints handling.

The State Secretary would like to see a significant increase in the number of disputes committees.

The CCA believes that considerable progress can be made. It warns, however, that most consumer complaints are in a restricted number of fields in which disputes committees already operate and apply bilateral terms and conditions. One major barrier is the limited ability of consumer organisations and some industry associations to reach firm agreements on general terms and conditions and complaints procedures. The CCA is therefore in favour of some form of government support. Such support is also

necessary to publicise the fact that a company is associated with a disputes committee. In this particular case, such support should go to the Disputes Committees for Consumer Affairs, the umbrella organisation for several dozens of such committees in that field.

The CCA has published a leaflet simultaneously with its advisory report that offers tips on how to improve complaints handling. The leaflet (Klachten = Kennis; doe er meer mee!) is intended mainly for small and medium-sized companies that have little experience of systematic complaints handling. Proper complaints procedures can prevent a complaint from escalating into an expensive dispute. In addition, they offer companies a way to set themselves apart, foster customer loyalty and enhance their reputation.