

Consumer Law



Definitions - Knowledge and understanding

Fit for purpose	Means that goods must do what they are meant to do
As described	Means that goods must be as the business described them
Consumer law	Is the area of law that protects the customers of a business. This is mainly through the Consumer Rights Act 2015
Satisfactory quality of goods	Means that how the goods are made will reflect the price. A high-priced product must be of high quality
Reputation	Of a business is what customers say and feel about a business.



Customer rights

	Explain what this means for a business, using an example
Of satisfactory quality	Goods must not be damaged or faulty when you buy them. The quality expected in different products should be taken into account. Cheaper 'bargains' should be expected to have a lower quality than luxury goods,
Fit for purpose	Goods must do what they are meant to do. If the seller claims that a product does a particular function, then it must be able to do that.
As described	Goods must be as you describe them. If you order orange trainers, then you should receive orange ones not blue ones.

The impact of consumer law on business- analysis

<p>Advantages of consumer law for a business</p> <ul style="list-style-type: none"> • Improves business' reputation which could increase sales • Help to reduce recalls/ returns which will lower costs <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;"> </div> <div style="text-align: center;"> </div> </div>	<p>Disadvantages of consumer law for a business</p> <ul style="list-style-type: none"> • Can be expensive to provide training for employees to ensure they are producing satisfactory quality goods • If a business does not provide 'of satisfactory goods, customers may demand a refund which will increase costs and reduce profits • Customers can claim compensation of goods are not safe • They may also lose their reputation
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Example questions

Delicious Cakes is family run business and has been running for 10 years. They have an excellent reputation with customers describing their cakes as 'excellent value for money'. They have only recently had an inspection in to how the business is run. The findings outlined that all of the equipment they use is up to date and they only use the freshest of ingredients with their fridge being checked daily. They also have clearly on display all of their ingredients that are found in the cakes so customers can check in connection to any allergies.

Knowledge

1. What is meant by 'consumer law' (1 mark)

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2. State the three parts of consumer law that businesses must meet (3 marks)

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Application

3. In the case study, list three ways that that the business is meeting consumer law (3 marks)

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Analysis

4. Analyse one advantage of consumer law on Delicious Cakes (3 marks)

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5. Analyse one disadvantage of consumer law on Delicious Cakes (3 marks)

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