

Dealing with door-to-door sales

Speaker's notes

June 2015

Topic: door-to-door sales, telephone marketing, Do Not Knock campaign, Do Not Call Register

Resources: DVD Dealing with door-to-door sales, Do Not Knock stickers, flyer Beware door-to-door sales: what you need to know, Do Not Call Register brochure

How to use these notes

These notes provide information about the topic and guidance on how to use the resources to present a face-to-face session for a community group or workers.

These notes can be used as a springboard from which you can add further points or they can help you to structure your session to suit your style and meet the particular needs of your group.

They can be used as a reminder too, because they cover the criteria needed to engage effectively with community groups and workers who work with these communities.

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1. Key points to make in your session

For these sessions, some of the points may be:

- it is ok to say no to a door-to-door seller and don't sign or agree to any contract
- use the Do Not Knock sticker
- the particular times and days sales people can knock and phone
- if you do sign or agree to these types of contracts, you have legal rights (10 business days to cancel the contract, and you could get out of it even if 10 business days have gone by if the door seller was misleading)
- sign up to the Energy retail marketing opt out
- you can get free advice or assistance from consumer and legal services, and financial counsellors.



You don't have to be a lawyer to deliver these sessions. They are information-based and the CLE team at Victoria Legal Aid can help if you need it by showing you how, contact Angela Costi, Senior Community Legal Education Coordinator on 03 9269 0382 or angela.costi@vla.vic.gov.au

At these sessions, we recommend that you don't give advice and stick to providing information – unless you are a lawyer that practices in the area of consumer law.

2. How to present before communities

Useful tips when engaging with community audiences are:

- know your audience – you must be able to confidently answer: Who is my audience? What do they know? What don't they know? What do they need to know?
- set aside time to prepare, do not read from notes, be 'off the page'
- distil information into three to six key messages that are easy to understand
- do not use legal jargon and find creative, easier ways to explain legal terms
- use a conversational style of delivery, incorporating stories from case work or stories that you know are familiar to the audience
- avoid the use of Powerpoint in community presentations
- participation and interaction help learning, get your group talking by asking questions and facilitating discussion.

3. Use the DVD Dealing with door-to-door sales

Make sure the venue has a DVD player and TV, or laptop and film projector, to show the film.

Show film one – a story about an elderly man, Marcello, signing a contract 'at the door' through an unsolicited sale. This is a short film and engages your group with the topic immediately.

Film two, shows a lawyer, Jenny Lawton, speaking about the legal issues in the story. You have the option to either show film two and add to what Jenny Lawton says or not show this film and cover Jenny's main points yourself.

For your own preparation though, please view film two and take note of Jenny Lawton's advice.

Like Jenny Lawton, you will be using what happens in film one as a discussion point about consumer rights against door-to-door selling. Asking questions such as:

- What did Marcello do wrong?
- What could he have done to stop getting into the contract?
- What can he do now that he has signed a contract?

Further to these questions, you can ask others that draw on personal experiences.

Question: Have you had a door seller come to your door?
Did you let them in? What happened?

You may encourage discussion about how they handled the situation.

Was it difficult for them to say No? Did they want to actually buy the product being offered?
Did they feel it was a good deal?

Question: Do you remember what door sellers used to be like?
Did you use to buy from them?

This question is about acknowledging that in the past door selling practices were different to what they are today.

For many older people there is a sense of nostalgia about how they knew the man who would come to their door selling manchester, dairy food, potatoes... There are positive feelings about this interaction. Still there are other stories from the past about buying encyclopaedias or vacuum cleaners, but not actually needing them.

Question: What sort of products are sold by door sellers these days?

From this discussion, you can lead into how door-to-door sales today have changed – i.e. traditionally they focused on educational products and household goods, but the recent trend is selling essential services including gas, electricity and telecommunications (telephone/Internet).

And an increasing number of these essential services are being sold packaged or what is known as 'bundled'. So phone, Internet and mobile phone can be bundled also gas and electricity can be bundled. Discounted deals are offered with a bundled contract.

'Goods' that have come to our attention as being sold at the door are: water purifiers, vacuum cleaners and their associated parts, first aid kits and educational software.

You can adapt your questions and discussion for differing types of audiences.

Newly arrived communities may have no point of reference for this type of selling activity. There may need to be more of a focus on how our free market economy works to allow for these sorts of selling practices – these days as markets become more competitive, sales techniques become more sophisticated and targeted.

4. Information about door-to-door selling

What are door-to-door sales?

When a sales representative comes to your door uninvited wanting to sell you goods or services.

The goods or services sold must be the kind you would normally use in your home or for yourself.

Only sales above \$100 are covered and prices for services or products that can't be estimated such as energy and phone contracts.

When can a door sales person attend a home?

There are rules they must follow. Door sellers can only 'knock' (contact) during certain times: 9 am to 6 pm from Monday to Friday, and 9 am to 5 pm on Saturday.

Contact cannot be made on Sunday and public holidays.

At any other time they can only come to your home if you have agreed to this.

Door sellers must say upfront why they are visiting and must tell you their name and who they work for. If you ask them to leave, they must leave immediately, and not contact you for at least 30 days after you have asked them to leave.

The consumer laws require door sellers to only door-knock at particular times, and to go away if you ask them to. If a door seller does not comply with consumer laws about door-to-door sales they can be fined thousands of dollars. Their company can be fined even more.

A court may order a fine (pecuniary penalty) to a company or an individual who does not comply with the law.

The law says you have 10 business days to cancel the contract (sometimes referred to as a 'cooling off period', but note that the law refers to this as 'termination period'). Note that this is 10 business days starting from the first business day after the agreement was made.

What can you do to stop a door sales person coming to your door?

Basic advice to give: do not sign up at the door.

- you do not have to answer the door
- say 'No' or
- use the Do Not Knock sticker. (Show them the sticker.)

What is the legal authority of the sticker?

A Do Not Knock sticker has been given considerable legal weight according to a 2012 Federal Court decision. Every time an uninvited salesperson ignores a visible Do Not Knock sticker on a consumer's door, the company they represent is exposed to a maximum penalty of \$50,000.

The Federal Court ordered two companies to pay total penalties of \$1 million because they had contravened the national consumer law. It was noted that the door sellers had failed to leave the premises upon the consumer's request and when they had displayed a Do Not Knock sign. The energy company was fined and so was the marketing company which was engaged by the energy company to do the door sales.

Also if a door-to-door seller ignores the sticker and knocks, they are trespassing on your property.

You can complain. All salespeople must carry a photo ID. So get their details so you can make a complaint.

You can:

- get their name, company, date and time of visit
- go to the Consumer Action Law Centre website for a letter of complaint www.donotknock.org.au

Refer to number 5 below for a further list of other organisations that deal with these sorts of complaints or can provide legal help.

What can you do if you are interested in the products or services offered door-to-door?

You must be fully informed before you make a decision to buy.

A free financial counselling or a consumer service such as Consumer Affairs Victoria can help you understand the differences between your current product or service and the one you are interested in.

There are free financial counselling services based in most areas. Refer to 5 below for information about finding a free financial counsellor.

What must a door-to-door sales agreement contain?

If you do sign up, you need a copy of the agreement. On the front cover it should state your rights to cancel the contract and directions about how to cancel a contract. It must include a form that you can use to cancel the agreement.

If there is no form, i.e. the company didn't give you information about how to cancel the contract, the law states you have six months to change your mind and bring the contract to an end.

If the form is there – you have 10 (business) days to cancel the contract. You must tell the company you bought from but also any related finance company, in writing.

It's good practice to take a photocopy of the signed form and to register your letter of cancellation with Australia Post. That way you can prove that the form was sent back to the company within the 10 days.

If the 10 days have passed, there may still be the opportunity to get out of the contract, if you feel there has been misleading behaviour by the door seller. You may have the right to complain to one of the Ombudsman services.

Energy retail marketing opt out

If you live in Victoria clause 2.3 of the Code of Conduct for Marketing Retail Energy requires that retailers maintain a 'no contact list' for consumers who don't want to be marketed to.

The Consumer Action Law Centre has compiled the relevant contact details of energy retailers currently operating in each of the states and territories with competitive markets, so all you have to do is fill in the Opt out of Energy Retailer Marketing form. An email will be sent to all energy retailers in your state advising them that you don't want to be door-knocked by any salesperson working on their behalf.

The Do Not Call Register

The Do Not Call Register is an Australian Government secure database where you can list your home phone number, including mobile number and fax number, so you don't receive telemarketing calls and marketing faxes.

The Do Not Call Register Act 2006 was recently changed to extend the three year period of registration to five years.

Once your number is listed on the Do Not Call Register, telemarketers and fax marketers must not contact those numbers. Any business that calls or faxes a listed number, or arranges for calls to be made or faxes to be sent on its behalf, can face penalties under the law.

Some organisations are exempted, and may still call they are: charities, government bodies, political parties, market research companies and religious bodies.

There are two ways to register or re-register or make a complaint against a telephone marketer:

- online – www.donotcall.gov.au
- phone – **1300 792 958**.

Registration forms are also available in Italian, Greek, Chinese, Arabic and Vietnamese.

Note: Telemarketers can call for a longer time during the week than door sellers. Telemarketers can call between:

- 9.00 am and 8.00 pm Monday to Friday
- 9.00 am and 5.00 pm Saturday
- they cannot call on Sunday or public holidays.

Summary of the new law

The Australian Consumer Law (ACL) came into effect federally on 1 January 2011 and has been implemented across Australia by each State and Territory.

The ACL regulates agreements made between a dealer and a consumer:

- by telephone OR face-to-face other than at the supplier's business and
- the consumer did not invite the dealer to come to that place or to make a telephone call for the purposes of entering into negotiations about the supply of those goods or services and
- the total price payable by the consumer under the agreement is more than \$100 (or is not ascertainable at the time).

The ACL makes a distinction between invited and uninvited (unsolicited) agreements. The regulations also exempt some kinds of sales, including party plan events (eg. Tupperware parties).

The Australian Government Solicitor (AGS) website provides a summary of the Federal Court decision that highlighted the effectiveness of the Do Not Knock sign and also the sort of behaviour by door sellers that contravenes the law:

www.ags.gov.au/publications/express-law/index.html

Other legal and consumer information resources

Refer to the following resources, if you want to further your knowledge of the law and consumer rights on this topic.

National Do Not Knock website

www.donotknock.org.au

Consumer Action Law Centre hosts and maintains the national Do Not Knock campaign's website

Australian Competition & Consumer Commission (ACCC)

www.accc.gov.au

The ACCC took the two companies that were fined to the Federal Court and is continuing to focus on this area with its strategy Knock! Knock! Who's there? On their website you can read the research into the door-to-door sales industry and consumer guidance information.

You can order up to 100 stickers free of charge directly from the ACCC website. Brochures are also available free of charge in quantities up to 100 from the ACCC website and are published in various community languages.

Consumer Affairs Victoria – Australian Consumer Law

www.consumer.vic.gov.au

From this homepage, search for information on the topics contracts, door-to-door sales and telemarketing.

VLA website – Door-to-door sales

Information for community and workers, and links to Do Not Knock film, transcripts and associated resources.

www.legalaid.vic.gov.au/doortodoor.htm

Do Not Call Register – further information and resources

For consumer brochures about the Do Not Call Register and information about their complaints process.

www.donotcall.gov.au

MoneySmart – simple guidance you can trust (ASIC, financial regulator)

Provides handy information regarding scams, lists companies that should not be dealt with and money management fact sheets.

www.moneysmart.gov.au

5. Where to go to for help

Financial counselling

A free financial counselling service can help people manage their bills and debts, helping them to work out good deals regarding utility and telecommunication bills, ensuring their concession rates are being taken into consideration etc.

Financial Counselling Australia can help you to locate the nearest service

www.financialcounselingaustralia.org.au

There are a number of organisations that can assist with advice, support and complaints in this area. In Victoria, some relevant organisations are:

Tools and advice to manage money and debt

MoneyHelp provides a free financial counselling service

tel: 1800 007 007

www.moneyhelp.org.au

Complaints against door sellers, phone sellers and their companies

Consumer Affairs Victoria can assist consumers with complaints including conciliating directly with the companies on behalf of the consumer:

tel: 1300 55 81 81

www.consumer.vic.gov.au

Victoria Legal Aid

Provides free Do Not Knock stickers and information about door-to-door sales, contracts and debts::

tel: 9269 0120 or 1800 677 402 (country callers)

www.legalaid.vic.gov.au/doortodoor.htm

Federation of Community Legal Centres

For your local community legal centre who can help you with information about door-to-door sales, contracts and debts:

tel: 9652 1500

www.communitylaw.org.au

There are also Ombudsman bodies who can investigate complaints:

Telecommunications Industry Ombudsman

For complaints about phone and internet services:

tel: free call 1800 062 058

www.tio.com.au

Energy and Water Ombudsman Victoria

For complaints electricity, natural gas, bottled gas (LPG) and water companies:

tel: free call 1800 500 509

www.ewov.com.au

Complaints against phone sellers and their companies

The Do Not Call Register service also deals with complaints about phone marketing companies:

tel: 1300 792 958

www.donotcall.gov.au

6. Resources for participants at the sessions

You may want to order a few copies of the DVD, Dealing with door-to-door sales as some workers or community groups may want to own their own copy to replay to other members or subgroups that couldn't attend. You can order these free of charge at:

www.legalaid.vic.gov.au/find-legal-answers/free-publications-and-resources/dealing-with-door-to-door-sales

You can also get a 'Do not knock' sticker to put on your door. This warns sales people that they are breaking the law if they knock on your door. To order copies of the 'Do not knock' sticker in quantities up to 50, download Consumer Affairs Victoria's General publications order form (www.consumer.vic.gov.au/resources-and-education/forms-and-publications) and lodge the form by email or post.

The other resources to consider are:

- the easy English fact sheets found on the Consumer Affairs Victoria website that deal with this topic
- the brochure and registration form for the Do Not Call Register

7. Gathering feedback for reporting and evaluation

The discussion during the sessions or afterwards is a great way to gather feedback about:

- how effective your presentation was, including your communication skills and the resources that you used
- any stories or case studies coming from the community showing how they dealt with door selling or phone marketing practices before the session

We also want to know how the campaign helps people. You could ask for the contact details of participants who are willing to give us this sort of feedback, and contact them at a later date.

You can feed this information to the Do Not Knock – Consumer Stories webpage:

www.donotknock.org.au/category/consumer-stories/