

## What's in a Name?: The Scottish Business Community's Perceptions of the Functions Conveyed by the Title of a Consumer Protection Regulators

The Trading Standards Departments (TSD's) within Scotland are the local government enforcement service for consumer protection and serve three client groups - the business community, individual consumers and the public sector. The aim of this paper is to examine the functions which both members of the business community and trading standards officers (TSO's) perceive are conveyed by the respective name of a department. The results are presented in conjunction with theories of communication and perception.

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### Introduction/Background

Consumer protection regulations were established throughout the world to protect both the honest trader and the individual member of the consuming public. In Britain, formalised regulations can be traced back to the Magna Carta of 1215BC (Borrie & Diamond, 1981). One local government unit in Britain is invested with the powers of enforcement, namely the Trading Standards Departments (TSD's). The Trading Standards Service (TSS) has three distinct although inter-related client groups - the business community, the public sector and the individual consumer - with the enforcement provision supplemented by a non-statutory advice service. The British business community is subject to an array of both domestic and European Union statutory tools, with those relevant to consumer protection enforced on the whole by the TSD's. The majority of actual prosecutions dealt with by the TSD's in Scotland are with regard to the provisions of four Acts, namely the Trade Descriptions Act 1968, the Weights and Measures Act 1985, the Consumer Protection Act 1987 (CPA) and the Consumer Credit Act 1974 (Crown Office, 1993). The modern departments undertake mostly "preventative" activities" (Harvey & Parry, 1992, pg30), ranging from supplying access to pre-purchase information for individual consumers, to agreeing advertising copy for traders prior to publication.

During the 1960's, the existing 19th Century legislation covering weights and measures was up-dated by the Weights and Measures Act 1963. The provisions of this Act were enforced by the local government Weights and Measures Inspectorate, whose remit gradually broadened with the introduction throughout Britain of both domestic and European consumer protection legislation during the late-1960's and 1970's. Recognition of the mobility of trade and also the dynamic nature of the consumer marketplace, led to the changing of department names in order to convey more effectively their expanding roles. Therefore, a new title was adopted by most Trading Standards Departments within Britain, or in the minority of cases, the Consumer Protection Department. The decision regarding the exact title of each individual department is made by the respective local government council. The main powers of enforcement and investigation contained within both the Trade Descriptions Act 1968 and the earlier Weights and Measures Act 1963, have firmly established the responsibility for consumer protection legislation with local government units throughout Britain. However, although the legislation covering the consuming public in Britain is mostly uniform, differences exist with respect to the range of powers and duties of the TSD's. The Scottish system separates the powers of the Environmental Health Departments and the TSD's, with the latter retaining jurisdiction over food composition and labelling regulations. Conversely, within England and Wales these powers are under the remit of the TSD's.

The TSS can be viewed as a service which effects everyone, either directly or indirectly (Galland, 1995) as a consequence of the unique place the TSD's hold within the public sector providing an unbiased approach to enforcement and ensuring a level playing field in the marketplace. Increased consumer confidence, defined as both individuals and traders, should evolve from the successes of the preventative workings of the individual TSD's, especially with regard to education (Coulter, 1998). Recognising the different needs of Society, the professional body for TSO's, the Institute of Trading Standards Administration (ITSA) defines the role of TSD's as follows:

*"to advise, educate, inform and protect consumers; support, assist and influence the business community; and expose, challenge and where necessary prosecute those who flout the law and put consumers and honest traders at risk". (Galland, 1995, pg.2)*

However, for the TSS to successfully achieve these goals, the client groups must be aware of its existence and also have a perception of the functions of the departments. Otherwise, the service will not be utilised to its maximum extent. Furthermore, if there is a perception amongst the business community that the TSS has a primary goal of protecting the individual consumer, traders may pursue what they perceive to be less biased advice and information from other sources, for example, trade associations. Therefore, effective communication is not only fundamental to the process of implementing legislation (Morris, 1980), but also to the continued utilisation of the enforcement and advice agencies which are integral parts of the regulatory framework.

#### Communication Channels and Perception

Every individual holds very personal attitudes regarding a range of subjects, all of which influence behaviour and perceptions (Drucker, 1980). These attitudes are personal beliefs which may be based on a range of factors including past first-hand experience with, for example, a range of enforcement agencies for a trader and information conveyed from other traders (Coulter, 1998). "Perception is not logic [but] experience" (Drucker, 1980, pg.392), therefore, for two people to communicate effectively with each other, or for a meaning to be conveyed through the medium of a department name, the initiator must utilise terms which are 'experience based', that is, in the language of the target audience (Coulter, 1998, pg.100). There are many forces within the business environment which can affect the traders' perceptions. Barriers to this effective transference of information includes the problem of 'selective perception'. This is based on the receiver's needs, motivations, experience, background and personal characteristics (Robbins, 1993, pg.339). Therefore, the name of a regulatory department, if it is to effectively convey the functions of that agency, must utilise terms which are known to the target user group, and also attempt to minimise

Routine visits of TSO's to business premises are the most common interaction between the business community and TSD's. The visits, which constitutes the majority of a TSO's time with regard to enforcement activities, can be used to convey information regarding new and existing legislation, and also to allow the trader to clarify any aspect of the regulatory framework with which they are unclear (Coulter, 1998). However, the visit is not always welcomed by the trader, with the possibility of an unsatisfactory prior meeting between the parties souring the relationship in the future. Therefore, this relationship requires a degree of trust and mutual respect between the parties as communication channels are very prone to disruptions. These include lack of trust, perceptions of either the person sending the information or the person receiving it, the language utilised and the experiences of those with officers of the agency (Davis & Newstrom, 1989). In recent years, some sectors of the business community have deemed routine visits and inspections as disruptive with the TSO's accused of being, "overzealous, erratic and bullying" (NCC, 1994, pg.21). Although the TSD's vigorously denied this allegation, the debate took place within the public arena and therefore, may colour the perception of business people towards the TSD's in the future. Therefore, the TSD's have three client groups with whom they work, each of which will hold perceptions about the functions of the TSD, some of which will be conveyed by the name, whilst others will be attributable to past experiences. As personal contact between the TSD and the business community is limited due to staffing resources, the name chosen should convey the actual functions of the department, allowing the client to decide which services they can gain.

#### **Methods**

The aim of the study was to examine the attitudes and perceptions of both service users and providers of a local government enforcement agency, towards the department's functions which are conveyed by the particular wording of the title. The objectives of the study can be stated thus:

- \* to identify the attitudes and perceptions of members of the business community towards the functions conveyed by the name of a consumer protection enforcement agency;
- \* to identify the attitudes and perceptions of trading standards officers towards the functions conveyed by the name of a consumer protection enforcement agency, and
- \* ascertain if there is an association between the perception of traders towards the name of a TSD and the perceptions of TSO's.

For the sake of this study, a 'trader' who may be a manufacturer or a retailer, is defined as anyone selling goods or services in the course of business. It may be a limited company, local authority, public corporation, partnership or individual (National Federation of Consumer Councils, 1982, pg.9).

### Trading Standards Department & Officer Sample

The consumer protection law which is enforced throughout Britain is not entirely uniform due to historically different legal systems. For example, in England and Wales, the trading standards departments enforce various regulatory tools pertinent to food whereas in Scotland this function is under the remit of a separate Environmental Health Department. Due to the small number of TSO's employed by local government, the first study utilised a census sample of the 32 Scottish mainland trading standards departments, which between them, employ 151 full-time TSO's. The sampling frame was comprised of staffing lists provided by each regional department.

### Trader's Sample

The Trader's sample of 501 units was randomly drawn from trade directories which covered all business premises by postcode/zipcode, did not contain multiple entries and contained listings in alphabetical order. Every business postcode holder in Scotland is entitled to one entry within the directory, therefore eliminating the bias originating from selective entry of commercial directories like the Yellow Pages and the White Pages. Local branches of companies and not the head offices were targeted, as it is the branch manager and their staff who work on a daily basis within the limits of the consumer protection legislation, and therefore, also deal with TSO's. This level of targeting allowed the level of awareness of TSD's within the local community to be assessed, and also the amount of previous contact between the manager and the TSD. This therefore offered an insight into the extent to which perceptions were experience based. As all sectors of the business community are subject to the consumer protection laws enforced by the TSD's, selection criteria based on the business activity of the sampling unit was not necessary.

### Postal Questionnaires

Postal questionnaires were utilised as the most effective tool to cover mainland Scotland (Chisnall, 1994), with personalised covering letters attached to attempt to reduce the questionnaire being discarded as 'junk mail' (Cragg, 1991). A mixture of open and closed (including ranked scales) questions were used, in order to allow investigation of both attitudes and perceptions towards the TSD's functions conveyed by the department's name (Easterby-Smith, et al, 1991). The questionnaires sent to each sample were identical to allow comparability of results, except for two extra questions directed at Traders, namely, how much contact they had had with the TSD's in the past, and the reason for that contact. This would allow qualification of their perceptions of the functions conveyed by the department's name.

## **Results**

The sample of 501 traders throughout mainland Scotland, resulted in a mixture of establishments from the manufacturing, retailing and service sectors. The total of 172 responses comprised of the following categories: 130 retailers; 40 service sector, and 2 manufacturing companies. Therefore, the overall response rate for the Traders sample after two follow-ups, was 39.9%. The second study targeted a census sample of the 151 full-time TSO's within the 9 regional mainland Scotland TSD's. The response rate was 59.6% after two follow-up reminders, one by letter and the other by telephone.

A majority of 58.3% of traders had never received a visit to their premises by a TSO, with almost a fifth being contacted in this manner once in the past 12 months. The smallest category (3%) were those who had received over 6 visits. Furthermore, three quarters of the traders sampled had never contacted a TSD in their capacity as member of the business community. Traders believed that the name, '*Consumer Protection & Trading Standards Department*' best conveyed the workings of the service. The second most frequently cited name concentrated on the business functions, '*Trading Standards Department*', with less than one sixth of respondents opting for the consumer base title of, '*Consumer Protection Department*'.

Table no. 1

Which Name Which Best Conveys the Department's Functions?

Department Name	Traders		TSO's	
	f	%	f	%
Trading Standards Department	55	35	59	65.5
Weights & Measures Department	10	6.4	-	-
Consumer Protection Department	18	11.5	-	-
Consumer Protection & Trading Standards Department	70	44.6	23	25.6
Other	4	2.5	8	8.9
<b>TOTAL</b>	<b>157*</b>	<b>100%</b>	<b>90</b>	<b>100%</b>

Note: \*15 missing answers. Traders: SD=1.398; TSO's: SD=1.578; f= frequency

Utilising a two-tailed t-test, Table no. 2 below, illustrates that there was found to be a negative and statistical difference between the chosen name for the department and Trader's membership of industrial sector. This result suggest that the industrial sector within which a Trader operates, has an effect on their perception regarding the functions of the TSD. There was also found to be a negative and statistical correlation between the geographical region within which the TSO works, and the name chosen by officers.

Table no. 2

Correlation of Department Name &amp; Respondents' Geographical Region/Sector

Variable	Correlation	2-tailed Sig.	D.F.
Traders Sample:			
1. Department Name	-.005	.000*	156
2. Sector of Industry			
1. Department Name	.089	.000*	156
2. Geographical Region of Trader's Business			
TSO's Sample:			
1. Department Name			
2. Geographical Region of TSD	-.027	.000*	89

Note: \*Significant at p&lt;.05

An 'agency which works for both the public and traders' was perceived as the most important function of a TSD by Traders. The least important function, as ranked by Traders was, 'an agency to enable the consuming public to gain redress' (see Table no. 3 below). The role of the TSD as information source specifically for traders was perceived as marginally more important than for the public.

Table no. 3

Traders' &amp; TSOs' Rankings of the Functions of TSD's

Functions of Trading Standards Department	Traders		TSO's	
	Sum of Ranks* (n)	SD	Sum of Ranks* (n)	SD
Source of information for the public	387 (133)	1.37	280 (88)	1.04
Agency to enable public to gain redress	430 (131)	1.33	350 (88)	1.14
Agency which enforces consumer protection law	401 (133)	1.37	207 (89)	1.19
Source of legal information to traders	375 (136)	1.39	317 (88)	1.10
Agency for both the public and traders	279 (144)	1.36	137 (90)	0.99

Note: \*Max = 860; Min = 172 where 1= Most important &amp; 5= Least important. 4 D.F.

A Kendall Co-efficient of Concordance illustrated the lack of statistical agreement amongst the respondents ( $W= 0.1229$ ;  $r= .0000$ ;  $p<.01$ ; 4 D.F.). Utilising a Friedman test, it was found that the relative rankings are significant ( $F= .0000$ ;  $p< .10$ ; 4 D.F.). Therefore, although the respondents are not in overall agreement regarding the relative importance of the functions to a significant degree, an important finding is that Traders' perception of the department as an agency which works for both the trading community and the consuming public, is statistically significant.

"An agency which works for both the public and traders" was also ranked the most important function by TSOs, with, "An agency to gain redress for the public" the least important function. A statistical agreement did exist amongst the rankings by TSOs' ( $W=0.4235$ ;  $r= .0000$ ; 5 D.F.) with the relative rankings of the functions also found

to be statistically significant ( $F = .0000$ ;  $p < .10$ ; 5 D.F.). Therefore, in contrast to the random nature of the trader's rankings, TSO's are statistically agreed with regard to the relative importance of the functions of the departments.

### Discussion: Perceptions of the Department's Name

The names of individual TSD's have changed in recent years, with the initial *Weights and Measures Inspectorates* of the 1960's and early 1970's gradually replaced by the more encompassing title of TSD. This new title reflected the broader terms of legislation and regulations enforceable by TSO's. Latterly, many TSD's have changed title again, becoming known as *Consumer Protection and Trading Standards Departments*, explicitly emphasising the dual nature of their role within the modern trading environment. The titles utilised by the Scottish TSD's which comprised the census sample were as follows: '*Consumer Protection and Trading Standards Department*'; '*Trading Standards and Consumer Protection Department*', '*Trading Standards Department*'.

When invited to choose a title which they perceive as best specifying the workings of a *Trading Standards Department*, the respective choice of a TSO may be based on their experiences of working for the Department which currently employs them. Conversely, the respective perception of a Trader may be accounted for by any previous experience with a TSD and/or a TSO (Robbins, 1993). It may also be an indication of the Traders' level of understanding regarding the workings of the modern TSD, whether or not this is based on *personal experience*. Furthermore, the Traders' choice was also considered to be an indication of their perception of the relative importance which the TSD's themselves place on each of their three client groups - that is the business community, the consuming public and the public sector.

The name most frequently chosen by Traders to specify the functions of the regulatory department was: '*Consumer Protection & Trading Standards Department*'. This result taken in isolation, demonstrates that Traders defined the Department's functions in terms which covered the two most publicly prominent client groups of the TSS, namely the consuming public and business community. One Trader elaborated this viewpoint, demonstrating that *first hand experience* of the TSD is not a prerequisite to the perception that the importance of the meaning conveyed by its title, stating: "[I do not] know what they do! But the name should reflect the actual activities. Industrial references".

If the business community's view that the name of the regulator is an indication of its functions is accepted, it is therefore foreseeable that, due to the mobility of trade, and the diversity of economic environments which exist across Scotland, the beliefs of TSO's would not be homogeneous. Although the majority of TSO's who responded chose the name: '*Trading Standards Department*', this result did not reflect the results from a separate rating scale question regarding who was the perceived most important client of the TSD. Opinion on this issue was split with the majority of TSO's (58%) disagreeing that the individual consumer was the most important client and, less than 10% of respondents rating the trader as the most important client of the TSS.

No statistical association was found between the name chosen to signify the functions of the Department by TSO's and that chosen by Traders (see Figure no. 1 below). There exists, therefore, a disparity between the service provider (TSO's) and the end-user (Traders), with regard to the name which best conveys the functions of the TSD. As, "perception is not logic [but] experience" (Drucker, 1980, pg.392), this situation, could have implications for utilisation of the TSS by traders and also their perception of actual service provision. Furthermore, did exist a *statistical correlation* between the particular industrial sector within which the Trader operates, and their perception of the functions of the TSD's, as specified by its name (see Table no. 2 above). Furthermore, a *statistical correlation* was found to exist between the respective Region of both samples, and the respective name which they chose for the Department.

The linear diagram in Figure no. 1 below, illustrates that the Department name is only one element in the equation required to determine how disparate the perceptions of the end-user and provider are regarding perceptions of the functions of a TSD. The diagram collates highest frequency answers from identical questions set to both samples. The results, when displayed together, clearly demonstrate areas in which the samples differ and agree, on particular perceptual issues.

Traders and TSO's both ranked, "*an agency for both the Public & Traders*" as the most important function of a TSD (see Figure no. 1 below). Furthermore, Traders and TSO's when invited to state in their own words what they perceived to be the most important function of a TSD, identified the following, '*[an] agency which works for both the business community and the consuming public to combat unfair trading practices*' (see Figure no. 1 below). The latter response was in direct contrast to the function ranked least important by both samples, that of, '*an agency to enable the public to gain redress with regards to consumer problems*' (see Figure no. 1 below). However, in contrast to the statistical agreement amongst the TSO's rankings, the results of the Traders' rankings were found to be statistically random in nature. Therefore, although the two samples do not agree which name best specifies the functions of the Department, both perceived the maintenance of fair trading for the benefit of both consumers and traders, without client bias, as the most important function.

Figure no. 1

Summary of Traders' & TSOs' Initial Perceptions of TSD's

Traders' Perceptions

Name to specify functions:

Consumer Protection & Trading Standards  
Department

Ranked most important department function

Agency for both Public & Traders

Categorised response re. functions

Agency working for both the business community and the  
consuming public.

Note: Ø signifies no significant association exists between the two samples.

Trading Standards Officers' Perceptions

Name to specify functions:

Ø Trading Standards Department

Ranked most important department function

Agency for both Public & Traders

Categorised response re. functions

Agency working for both the business community and the  
consuming public.

One encompassing phrase was identifiable from categorised qualitative responses given by Traders' to demonstrate the main functions of the TSD:

*"an agency which works for both the public and the business community, in order to safe guard the quality of goods and services, inform both parties of their rights and obligations, and maintain fair play with regard to consumer rights".*

TSOs' categorised qualitative responses also identified the TSD in similar, although not as specific, terms:

*"an agency to protect both the consuming public and trading community".*

Therefore, although initially the results appear to indicate that Traders and TSO's define the functions of the TSD's in different terms, further analysis indicates both samples perceive TSD's work as to maintain fair trading for all parties within the marketplace. Furthermore, the random nature of the rankings of the functions of the TSD's by Traders, indicates that their perception may not be primarily based on first hand experience.

### Conclusions

In conclusion, this study has demonstrated that although both traders and TSO's identified the functions conveyed by the name of a TSD in different terms, both samples agree on the perceived relative importance of the various functions of the TSD. This result was extended by the fact that the majority of traders did not perceive a bias from the TSD's towards any particular client group. This result demonstrates a level of awareness amongst traders of the existence of the TSD, although the majority had experienced neither a visit to their premises by an officer, nor contacted the TSD themselves. Therefore, although the business community and TSO's utilise differing terms, the communication of functions through the medium of the department name has been effective.

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### Endnote

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