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## When customers complain

The steps you must take depend on what's gone wrong and how serious it is. But in all cases, you must act promptly.

This doesn't mean immediately giving a refund, repair or replacement. It means taking the customer seriously and looking into their complaint. There might be something you need to put right — or it might be OK to turn down the complaint.

## What you can and can't do

It's your right to investigate before deciding what to do when a customer complains, whether in person or online. Find out as much as you can before you decide what — if any — remedy to offer.

Consumer law says customers can get a replacement, repair or refund for:

- faulty products
- substandard services
- late deliveries
- being overcharged if the price wasn't set beforehand.

But if they ask to return something for another reason, eg they accidentally broke it or don't like the colour, you don't have to agree.

It is against the law to:

- Refuse to deal with a complaint
- Fail to deal with a complaint
- Take too long to deal with a complaint.

Complaints can be tricky to deal with, particularly if it's a complicated problem or discussions have become heated.

But it's important not to stick your head in the sand. Know your rights, and act promptly. If you seem to be fobbing a customer off, or dragging your heels, they may take this as refusing to deal with their complaint.

[Fair returns and complaints policies \(/risks-and-operations/dealing-with-customer-complaints/fair-returns-and-complaints-policies/\)](/risks-and-operations/dealing-with-customer-complaints/fair-returns-and-complaints-policies/)

## Useful templates

Use these templates so you, your staff and your customers know how complaints will be handled:

[Refund policy sign \[PDF, 796 KB\] \(/assets/Uploads/Documents/Refund-policy-sign.pdf\)](/assets/Uploads/Documents/Refund-policy-sign.pdf)

[Complaint record form \[PDF, 929 KB\] \(/assets/Uploads/Documents/BG-Complaint-record-template.pdf\)](/assets/Uploads/Documents/BG-Complaint-record-template.pdf)

[Complaints process checklist \[PDF, 563 KB\] \(/assets/Uploads/Documents/BG-Complaint-process-checklist.pdf\)](/assets/Uploads/Documents/BG-Complaint-process-checklist.pdf)

**Act fast - find out more about the problem, then decide whether a remedy is required.**

Lack of action will annoy your customer. It will also count against you if a complaint goes to court or a disputes tribunal.

## No remedy required

You do not have to give a refund, repair or replacement if the customer:

- changes their mind
- causes the problem either by accident or on purpose
- doesn't follow your advice about a product's use or care, eg washing instructions
- goes against your advice, eg they insist on cheaper materials for a roofing job
- goes to someone else for repairs before coming to you.

You also don't have to give a remedy if the problem is caused by something beyond your control, eg an earthquake.

## When you must give a remedy

### Minor problems

If it's a smaller problem, eg a poorly made coffee or pen that doesn't work, you must put it right as soon as possible. This means offering a remedy, which is either a:

- replacement
- repair
- refund.

It's up to you which to offer. If the customer refuses your choice and asks for a different remedy, you can either agree or politely refuse. It's your right to offer a replacement, for example, but not a refund.

If you offer to repair minor faults, either:

- Fix it promptly yourself.
- Arrange for it to be promptly fixed elsewhere and pay for the repairs.

If the customer only complains after getting a minor fault fixed elsewhere, you do not have to pay the repair bill. Nor do you have to give a refund or replacement. By not coming to you first, the customer has lost their right to a remedy.

[Providing remedies for faulty products\(external link\)](https://www.consumerprotection.govt.nz/guidance-for-businesses/customer-returns-and-complaints/providing-remedies-for-faulty-products/)

[\(https://www.consumerprotection.govt.nz/guidance-for-businesses/customer-returns-and-complaints/providing-remedies-for-faulty-products/\)](https://www.consumerprotection.govt.nz/guidance-for-businesses/customer-returns-and-complaints/providing-remedies-for-faulty-products/) — Consumer Protection

[Providing remedies for faulty services\(external link\)](https://www.consumerprotection.govt.nz/guidance-for-businesses/customer-returns-and-complaints/providing-remedies-for-faulty-services/)

[\(https://www.consumerprotection.govt.nz/guidance-for-businesses/customer-returns-and-complaints/providing-remedies-for-faulty-services/\)](https://www.consumerprotection.govt.nz/guidance-for-businesses/customer-returns-and-complaints/providing-remedies-for-faulty-services/) — Consumer Protection

[Reducing risk of complaints \(/risks-and-operations/dealing-with-customer-complaints/reducing-risk-of-complaints/\)](https://www.consumerprotection.govt.nz/guidance-for-businesses/customer-returns-and-complaints/reducing-risk-of-complaints/)

### **Do post public replies to social media complaints. Apologise and say you'll look into it.**

Then move the conversation on to a private channel, eg email or phone, to find out more.

[How to handle complaints on social media \(/risks-and-operations/dealing-with-customer-complaints/reducing-risk-of-complaints/#e7509\)](https://www.consumerprotection.govt.nz/guidance-for-businesses/customer-returns-and-complaints/reducing-risk-of-complaints/#e7509)

### Major problems

When something is seriously wrong with a product or service, you must put it right in the way the customer chooses — after fully investigating, of course. Typically, this means a replacement or full refund. You must also cover any extra costs caused by the problem.

If a customer asks for repairs instead, you could offer a temporary replacement to use in the meantime. Make sure they know the timeframes involved — and the scale of the faults to be fixed. Repairs must be carried out promptly, but a serious fault may take longer to fix than the customer is prepared to wait.

What went wrong	Potential remedy	Possible other costs to repay
Fridge repeatedly breaks down due to previously undetected manufacturer's fault	Replace with a new fridge OR Full refund of purchase price	<ul style="list-style-type: none"> <li>• Replacing defrosted frozen food</li> <li>• Call-out fee for repairer who diagnosed the fault</li> <li>• Courier fee to return fridge to your business</li> </ul>
Poorly installed window lets rain into house	Redo work at no extra cost, including any replacement materials OR Full refund	Fixing any water damage to wall or flooring

### **It's best if only senior people in your business deal with potentially serious complaints.**

If someone senior isn't available, workers should take contact details and alert you as soon as possible.

[Training staff to handle complaints \(/risks-and-operations/dealing-with-customer-complaints/training-staff-to-handle-complaints/\)](/risks-and-operations/dealing-with-customer-complaints/training-staff-to-handle-complaints/)

[This guide shows you and any staff the requirements products or services must meet — if not, you must give a remedy.](#)

[See what's involved \(/risks-and-operations/dealing-with-customer-complaints/reducing-risk-of-complaints/#e7499\)](/risks-and-operations/dealing-with-customer-complaints/reducing-risk-of-complaints/#e7499)

[From broken deliveries to spilled drinks, this quiz covers when to give a refund, repair or replacement — and when not to.](#)

[Start the quiz \(/risks-and-operations/dealing-with-customer-complaints/fair-returns-and-complaints-policies/#e7522\)](/risks-and-operations/dealing-with-customer-complaints/fair-returns-and-complaints-policies/#e7522)

### **Step-by-step**

#### **If it's broken in transit**

This extra step between seller and buyer increases the risk of a product being damaged. Here are the steps to follow if a customer makes this complaint.

1. Don't tell your customer to take it up with the delivery company — they came to you, so you have to deal with it.
2. Ask the customer to describe and/or show you the damage. Check other details, eg any damage to packaging, where the parcel was left.
3. Check if the product was in acceptable condition when packed, and if it was properly

- packaged.
4. Ask the delivery company if anything went wrong.
  5. If it is a valid complaint, offer your customer a replacement or refund.
  6. Make your own complaint to the delivery company — or your insurance company — so you're not left out of pocket. If this proves tricky, you may be able to make a claim against the delivery company under the Contract and Commercial Law Act, which has replaced the Carriage of Goods Act.

[How to use the Contract and Commercial Law Act \(/risks-and-operations/dealing-with-customer-complaints/understanding-consumer-laws/#e7455\)](#)

[Reducing risk of complaints: Deliveries \(/risks-and-operations/dealing-with-customer-complaints/reducing-risk-of-complaints/#e7507\)](#)

[Consumer problems caused by suppliers\(external link\)](#)  
(<https://www.consumerprotection.govt.nz/guidance-for-businesses/customer-returns-and-complaints/providing-remedies-for-faulty-services/>) — Consumer Protection

## **Sell second-hand products, including online? The Consumer Guarantees Act and Fair Trading Act may apply if you're considered to be in trade.**

“In trade” means regularly selling goods or services, or regularly buying to sell on. It doesn't include people who run one-off garage sales or post occasional Trade Me listings.

Rating form

**How helpful was this information?**

Rate this

- 1 Star
- 2 Star
- 3 Star
- 4 Star
- 5 Star

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### **Related content**

### **[Fair returns policies](#)**

[\(/risks-and-operations/dealing-with-customer-complaints/fair-returns-and-complaints-policies/\)](#)

[These show you offer good customer service — and help you handle any complaints promptly and fairly.](#)

[\(/risks-and-operations/dealing-with-customer-complaints/fair-returns-and-complaints-policies/\)](#)

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### **[Quiz: Can my customer return it?](#)**

[\(/risks-and-operations/dealing-with-customer-complaints/fair-returns-and-complaints-policies/#e7522\)](/risks-and-operations/dealing-with-customer-complaints/fair-returns-and-complaints-policies/#e7522)

Test yourself on when you must give a refund, repair or replacement for a faulty product or service.

[\(/risks-and-operations/dealing-with-customer-complaints/fair-returns-and-complaints-policies/#e7522\)](/risks-and-operations/dealing-with-customer-complaints/fair-returns-and-complaints-policies/#e7522)

[Start the quiz](#)

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### **[Training staff to handle complaints](#)**

[\(/risks-and-operations/dealing-with-customer-complaints/training-staff-to-handle-complaints/\)](/risks-and-operations/dealing-with-customer-complaints/training-staff-to-handle-complaints/)

Tools and tips to help your staff know when to take action themselves, and when to call in someone more senior.

[\(/risks-and-operations/dealing-with-customer-complaints/training-staff-to-handle-complaints/\)](/risks-and-operations/dealing-with-customer-complaints/training-staff-to-handle-complaints/)

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### **[Checklist: Complaints process](#)**

[\(/assets/Uploads/Documents/BG-Complaint-process-checklist.pdf\)](/assets/Uploads/Documents/BG-Complaint-process-checklist.pdf)

Tick off each step to deal with customer complaints quickly and fairly — and pick up tips along the way.

[\(/assets/Uploads/Documents/BG-Complaint-process-checklist.pdf\)](/assets/Uploads/Documents/BG-Complaint-process-checklist.pdf)

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