



**GUARDSMAN**  
AN AMYN TA COMPANY  
FURNITURE PROFESSIONALS

JULY 2023

# GUARDSMAN INDUSTRY INSIGHT

## CONSUMER DUTY - IT'S COMING

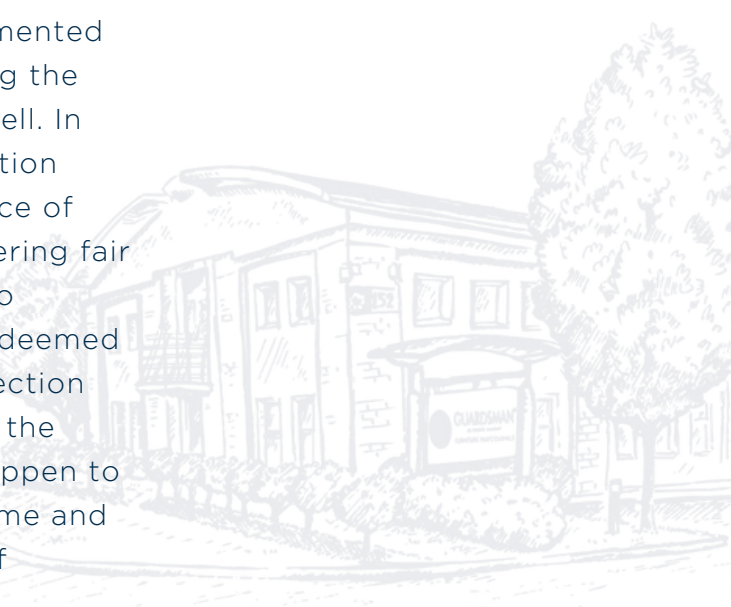
Furniture Protection Plans are important add-ons to furniture purchases and Guardsman partner with furniture retailers across the UK & NI to offer these products, delivering revenue to retailers and providing peace of mind for customers. The Financial Conduct Authority (FCA) regulates the conduct of 50,000 firms in the UK to ensure that financial markets are honest, competitive and fair.

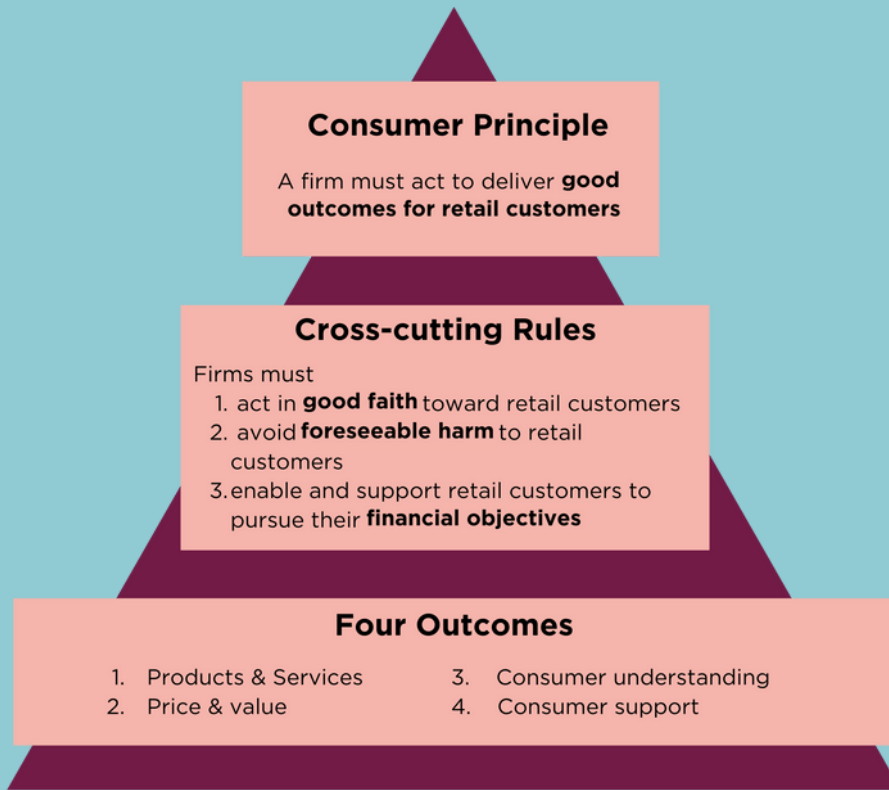
The FCA's focus strengthens later this month with Consumer Duty, coming into force 31/07/23. The new Duty sets higher and clearer standards of consumer protection across financial services and requires firms to put their customers' needs first.

The Duty brings this into focus with Principle 12:

*“A firm must act to deliver good outcomes for retail customers”;*

and for us, the UK's leading furniture warranty provider, it's important to be on the front foot and to have implemented sound, tested practices before it goes live; protecting the business, customers but also our retail partners as well. In fact, we recommend anyone selling Furniture Protection Plans or warranties to fully understand the importance of how the regulator expects firms to behave, from offering fair value to consumers, in terms of product relevance, to commission structures which should be fair and not deemed to be excessive. We all remember the Payment Protection Insurance (PPI) mis-selling scandal which enveloped the industry and we certainly do not want to see that happen to our market. Come and talk to us, be ahead of the game and to find out more and understand this critical piece of regulation that affects us all.





## The four Consumer Duty outcomes

### 1. Products and Services

The Terms & Conditions that match consumer needs

### 2. Price and Value

Evidencing a fair price, protecting consumers from high fees/charges

### 3. Consumer Understanding

Equipping consumers to make informed purchasing decisions

### 4. Consumer Support

Making it as easy for consumers to switch, cancel or complain as it is to purchase

We have carried out a considerable amount of work in reviewing and implementing new processes within our business to ensure continued compliance in line with our Consumer Duty obligations and we're ahead of the game in most instances.

Having already implemented strict assessment controls and metric suites we can meet all the required outcomes from product review, pricing and customer communication. Customer focus groups have been formed which is a valuable extra dimension to our testing and development.

However, it does not end there. There is continuous review and monitoring of existing frameworks to ensure continual improvement and remaining relevant to customer needs and market changes.

We want the industry to be supported and protected as the FCA continues to implement new principles and outcomes and would encourage retailers to think about these new principles in their own business and to contact us if you would like any advice or further information.

