APPENDIX 9.1

(referred to in paragraphs 2.94, 2.145, 2.285, 3.91, 3.142, 3.280, 4.90, 4.142, 4.282, 5.91, 5.143, 5.281, 6.11, 10.11, 10.24, 10.35, 10.53, 10.58, 10.59, 10.66, 10.72, 12.3, 12.61, 12.62, 12.63, 12.94)

Analysis of the results of the survey of small retailers relating to reference white goods

Introduction

1. This appendix sets out a detailed analysis of the results of our survey of small retailers that bear on the four reference white goods.[1] The background to the survey and the methodology involved are described in Appendix 6.3.

2. In the survey our interviewers sought retailers' oral answers to a series of questions. We expected the interviews to be conducted in small shops, against a background of noise and interruptions. So, many of the questions were drafted in a way that offered simple answers-yes or no-or could be dealt with by ticking a list. Other questions required a figure or a name to be given, and these, too, were straightforward. But some questions could be answered only by giving an opinion, and so did not make for easy analysis. The analysis gives the text of each question, and indicates (on the left of each question number) which of these three categories it falls into: `forced choice' (FC) for the first category (subdivided into FC(S) for single choice and FC(M) for multiple choice); `Num' for the second category and `Open' for the third.

3. Many of the answers related only to one specific reference good, but some related to them all. In each case the analysis attributes the answer exclusively to it or them. However, some replies did not mention specific reference goods, and others referred simply to white goods. Since respondents knew that the interviews were directed exclusively to the reference white or brown goods these replies have been attributed to all relevant reference goods sold by the respondent.[2]

Analysis

4. This analysis gives the text of each question as it was put to respondents, followed by a summary of the answers given, usually in tabular form. Related questions are sometimes grouped for convenience into a single table. In the few cases where this has slightly altered the original order of the questions, the order can be inferred from the question numbering, which is unchanged.

5. In the analysis, `retail businesses' means the total number of stockists of the relevant reference good(s) among the survey sample. `Respondents' refers to the number of retailers within the survey who replied to a particular question or group of questions, excluding any whose replies were inconsistent with the rubric to the question(s). `Responses' denotes the number of discrete replies to a question: in the cases of multiple-choice and open questions (where more than one answer per question was possible) there can be more responses than respondents to a question and the percentages of respondents giving each possible answer can total more than 100 per cent.

6. Tables 18 and 20*(a)* to *(d)* attribute citations to named suppliers. Attributed sections of the tables were put to the suppliers in question for their comments. The comments we received are shown in Chapter 13.

Background

[1]Abbreviated in the headings to the tables in the analysis as follows: washing machines (WM); tumble driers (TD); dishwashers (DW); and cold food storage equipment (CFS).

[2]Replies that related to one or more named suppliers, but not to particular reference goods, have not been attributed to reference goods that the supplier does not sell in the UK.

Open Q1: Name, address and postcode of the retail outlet (where interview is held).

FC(S) & Open Q2: Who is being interviewed?

[ ] Owner, director or partner. Name ....

[ ] Manager of the outlet. Name

FC(S) Q3: How many outlets are there in the business as a whole?

[ ] 1 [ ] 2

[ ] 3 [ ] 4

FC(M) Q4: Location of each outlet in the business.

	1 This outlet	Outlet 2	Outlet 3	Outlet 4
Traditional high street	[ ]	[ ]	[ ]	[ ]
Shopping mall	[ ]	[ ]	[ ]	[ ]
Other	[ ]	[ ]	[ ]	[ ]

FC(S) Q5: Number employed (FTEs) in the business.

[ ] 1-5 [ ] 6-10 [ ] 11-15 [ ] 16 & over

Note: FTEs = full-time equivalents.

FC(S) Q6: 1994/95 turnover of the business (£'000)

[ ] < 100 [ ] 100-300 [ ] 300-500 [ ] > 500

[ ] Not known

FC(M) Q7: Reference goods sold.

[ ] Washing Machines

[ ] Tumble Driers

[ ] Dishwashers

[ ] Refrigerators and freezers[1]

---

[1]Referred to elsewhere in our reports as CFS equipment or CFS products.

TABLE 1 **Q3 to Q7: Survey responses-characteristics of businesses selling each reference good**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Retail businesses	411	400	415	415
Outlets	585	572	594	592
Number of respondents per response option				
Single outlet	297	287	299	299
% of businesses	*73*	*72*	*73*	*73*
In high street	355	357	359	359
% of outlets	*61*	*62*	*60*	*61*
In shopping mall	23	22	23	23
% of outlets	*4*	*4*	*4*	*4*
Other	207	193	212	210
% of outlets	*35*	*34*	*36*	*35*
Fewer than six staff	222	213	224	225
% of businesses	*54*	*54*	*54*	*55*
Turnover at or below £0.5m	241	232	243	244
% of businesses	*59*	*58*	*59*	*59*

Num & FC(M)

Q8: What is the frequency of your stock turnover (value of annual sales divided by average value of stock)?

[ ] White (number times per annum)

[ ] [Brown (number times per annum)]

[ ] Not known

TABLE 2 **Q8: Survey responses-frequency of stock turnover**

		Totals
Respondents to Q8		237*
Frequency: times per year	1	4
	2	15
	3	33
	4	54
	5	40
	6	38
	7	11
	8	16
	9	4
	10	22

*A further 182 respondents declined to answer mostly because they did not know their stock turnover rate.

Local competition

Q9: Have there been any changes for better or worse in local competition over the last three years? (eg new competitors opening, existing ones closing or enlarging).

FC(S) Open

[ ] Better
(Please specify)

FC(S) Open

[ ] Worse
(Please specify)

FC(S)

[ ] No change

TABLE 3 **Q9: Survey responses-changes to respondents' competitive position**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Retail businesses	411	400	415	415
Responses to Q9	407	396	411	413
`Worse'	208	200	207	208
% of responses	*51*	*51*	*50*	*50*
`Better'	60	60	61	60
% of responses	*15*	*15*	*15*	*15*
`No change'	139	136	143	145
% of responses	*34*	*34*	*35*	*35*

TABLE 3*(a)* **Q9: Survey responses-factors improving competition**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Q9 respondents reporting `Better' and specifying	57	57	58	57
Comments (some respondents made more than one)	61	61	62	61
Numbers of respondents per cause cited				
(a) Closure of competitor outlets	43	43	43	42
% of respondents	*75*	*75*	*74*	*74*
(b) Responding positively to competition	11	10	11	11
% of respondents	*19*	*18*	*19*	*19*
(c) Increased competition beneficial	5	6	6	6
% of respondents	*9*	*11*	*10*	*11*
(d) Obtained dealership	1	1	1	1
% of respondents	*2*	*2*	*2*	*2*
(e) Economic factors	0	0	0	0
% of respondents	*0*	*0*	*0*	*0*
(f) Improved local environment:	1	1	1	1
% of respondents	*2*	*2*	*2*	*2*

TABLE 3*(b)* **Q9: Survey responses-factors worsening competition**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Q9 respondents reporting `Worse' and specifying	180	173	180	180
Comments (some respondents made more than one)	247	236	247	246
Numbers of respondents per cause cited				
(a) Effects of large outlets/retail parks	99	96	100	99
% of respondents	*55*	*55*	*56*	*55*
(b) Intensified competition, (not *(c)*, *(d)* and *(f)*)	68	64	67	67
% of respondents	*38*	*37*	*37*	*37*
(c) Price competition from other retailers	27	24	27	27
% of respondents	*15*	*14*	*15*	*15*
(d) Aggressive competition by RECs	25	25	25	25
% of respondents	*14*	*14*	*14*	*14*
(e) Economic/general factors	14	14	14	14
% of respondents	*8*	*8*	*8*	*8*
(f) Non-price competition by other retailers	10	9	10	10
% of respondents	*6*	*5*	*6*	*6*
(g) Cross-subsidization by large retail groups	2	2	2	2
% of respondents	*1*	*1*	*1*	*1*
(h) Supplier price discrimination	1	1	1	1
% of respondents	*0*	*0*	*0*	*0*
(i) Abolition of RPM	1	1	1	1
% of respondents	*0*	*0*	*0*	*0*

FC(M) Q10: If [competition] better what effect has this had on you?

[ ] Higher turnover

[ ] Higher profitability

[ ] Other

Open (Please specify)

TABLE 4 **Q10: Survey responses-effects of improvement in respondents' competitive position**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents to Q10	57	57	58	57
Numbers of respondents per response option				
Higher turnover	48	48	49	48
% of respondents	*84*	*84*	*84*	*84*
Higher profitability	20	20	20	20
% of respondents	*35*	*35*	*34*	*35*
Other	7	7	7	7
% of respondents	*12*	*12*	*12*	*12*

FC(M) Q11: If [competition] worse, what effect has the change had on you?

[ ] Lower turnover

[ ] Lower profitability

[ ] Other

Open (Please specify)

TABLE 5 **Q11: Survey responses-effects of deterioration in respondents' competitive position**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents to Q11	198	190	197	198
Numbers of respondents per response option				
Lower turnover	149	144	148	149
% of respondents	*75*	*76*	*75*	*75*
Lower profitability	132	127	133	132
% of respondents	*67*	*67*	*68*	*67*
Other	39	37	39	39
% of respondents	*20*	*19*	*20*	*20*

FC(S) Q12: Do you meet local competition by cutting prices?

[ ] Yes

[ ] No

TABLE 6 **Q12: Survey responses-price-cutting in response to local competition**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents to Q12	396	385	400	400
`Yes'	274	270	276	275
% of respondents	*69*	*70*	*69*	*69*
`No'	122	115	124	125
% of respondents	*31*	*30*	*31*	*31*

FC(M) Q13: If no, how do you manage to meet local competition?

[ ] Interest-free credit/low-interest credit/extended credit

[ ] Warranties

[ ] Free delivery and installation

[ ] Other
(Please specify) *Open*

TABLE 7 **Q13 (FC(M) responses): Survey responses-alternatives to price-cutting in response to local competition**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents to Q13	113	106	114	116
Responses to Q13	233	225	236	239
Respondents who offer				
Warranties	25	26	26	26
% of respondents	*22*	*25*	*23*	*22*
Favourable credit terms	50	50	49	51
% of respondents	*44*	*47*	*43*	*44*
Free delivery/installation	77	76	79	80
% of respondents	*68*	*72*	*69*	*69*
Other	81	73	82	82
% of respondents	*72*	*69*	*72*	*71*

TABLE 8 **Q13 (Open responses): Survey responses-detail of `other' alternatives in response to local competition**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Q13 respondents answering `other' who went on to detail alternatives*	62	57	63	64
Alternatives (some replies gave more than one)	67	61	68	69
Respondents who offer				
(a) Good all-round customer service	37	36	38	38
% of respondents	*60*	*63*	*60*	*59*
(b) After-sales service/repairs	11	11	10	11
% of respondents	*18*	*19*	*16*	*17*
(c) Own reputation	12	7	12	12
% of respondents	*19*	*12*	*19*	*19*
(d) Offer total sales package	4	4	5	5
% of respondents	*6*	*7*	*8*	*8*
(e) Offer specialist service	1	1	1	1
% of respondents	*2*	*2*	*2*	*2*
(f) Advertising/promotions	2	2	2	2
% of respondents	*3*	*4*	*3*	*3*
(g) Free ancillary products/services	0	0	0	0
% of respondents	*0*	*0*	*0*	*0*

*Seven respondents, whose answers were irrelevant, have been excluded.

FC(S) Q14: How often do you undertake special promotions (excluding those sponsored by suppliers?

[ ] Never

[ ] Annually

[ ] Twice a year

[ ] More often

TABLE 9 **Q14: Survey responses-frequency of own special promotions**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents to Q14	404	393	408	408
Never	145	139	146	147
% of respondents	*36*	*35*	*36*	*36*
Annually	36	35	36	36
% of respondents	*9*	*9*	*9*	*9*
Twice a year	81	80	83	82
% of respondents	*20*	*20*	*20*	*20*
More often	142	139	143	143
% of respondents	*35*	*35*	*35*	*35*

FC(M) Q15: What form do these promotions take?

[ ] Price reductions

[ ] Interest-free credit/low-interest credit/extended credit

[ ] Free gifts

[ ] Other

Open (Please specify)

`Other' forms of promotion was the least frequent answer and has not been further analysed.

TABLE 10 **Q15: Survey responses-forms of own promotions**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents to Q14 and Q15	259	254	262	261
Forms of promotion	529	524	536	534
Numbers of respondents per response option				
Price reductions	225	221	227	226
% of forms of promotion	*43*	*42*	*42*	*42*
Favourable credit terms	155	154	157	157
% of forms of promotion	*29*	*29*	*29*	*29*
Free gifts	82	82	83	83
% of forms of promotion	*16*	*16*	*15*	*16*
Other	67	67	69	68
% of forms of promotion	*13*	*13*	*13*	*13*

Wholesalers

Open Q16: Do you buy any reference goods from wholesalers? If so, which wholesalers?

The answers do not show which reference goods were bought from wholesalers, and so cannot be analysed by reference good. An indicative breakdown of responses attributable to reference white goods is possible and is given in Table 11. No analysis has been made of the 120 wholesalers mentioned.

TABLE 11 **Q16: Survey responses-use of wholesalers**

	All
Retail businesses*	419
Respondents who use wholesalers	274

*419 respondents who sold one or more of the reference white goods (see paragraph 4, Appendix 6.3).

FC(S) Q17: Do any of them impose any conditions?

[ ] Yes

[ ] No

The answers do not show the reference goods in respect of which conditions were imposed. An indicative breakdown of responses attributable to white reference goods is possible and is given in Table 12.

TABLE 12 **Q17: Survey responses-imposition of conditions by wholesalers**

	All
Totals	
Retail businesses	419
Respondents to Q17	266
Yes	17
% of respondents	*6*
No	249
% of respondents	*94*

Open Q18: If yes, which wholesaler?

Twenty-four wholesalers were identified.

FC(M) Q19: If yes, what are those conditions?

[ ] Pricing policy

[ ] Shop appearance

[ ] Staff training

[ ] Levels of service

[ ] Other
Open (Please specify)

Eighteen respondents reported 21 conditions, 17 of which were classed as `other'.

FC(S) Q20: Are you a member of CIH or any other buying group?

[ ] CIH

Open [ ] Other
(Please specify)

[ ] No

The answers to this question do not show which reference goods respondents obtained from a buying group (see Question 22 in respect of CIH). A breakdown to show the answers of respondents who sold reference white goods is possible and is given in Table 13.

TABLE 13 **Q20: Survey responses-membership of retailer buying groups**

	Reference good category
	All
Totals	
Retail businesses	419
Respondents to Q20	415
CIH membership	159
% of respondents	*38*
Other buying groups membership	11
% of respondents	*3*
Not a member of a buying group	245
% of respondents	*59*

Suppliers[1]

FC(M) Q21: Which brands of WHITE GOODS do you obtain direct from suppliers (including goods directly supplied but settled through CIH)?

[1]Here, and throughout this analysis, `suppliers' excludes wholesalers and retailer buying groups acting in a wholesaling capacity.

TABLE 14 **Q21: Survey responses – brands of reference white goods reported obtained direct from suppliers**

	Reference good							
	WM (no)	*WM (%)*	*TD (no)*	*TD (%)*	*DW (no)*	*DW (%)*	*CFS (no)*	*CFS (%)*
Totals								
Retail businesses	411		400		415		415	
Responses to Q21	379		360		374		381	
Brand								
Admiral	0	0	6	2	0	0	20	5 *
AEG	64	16	52	13	62	15	68	16
Amana	3	1	0	0	0	0	20	5
Ariston	81	20	62	16	77	19	78	19
Asko	51	12	42	11	46	11	46	11
Blomberg	5	1	4	1	6	1	6	1
Bosch-Siemens#	101	25	90	23	107	26	105	25
Candy	35	9	27	7	25	6	37	9
Creda	117	28	146	37	86	21	100	24
Electrolux	124	30	117	29	116	28	166	40
Frigidaire	16	4	16	4	0	0	59	14
Gaggenau	12	3	9	2	20	5	22	5
Hoover	153	37	127	32	118	28	0	0
Hotpoint	214	52	199	50	204	49	209	50
Indesit	48	12	38	10	46	11	43	10
Kelvinator	0	0	0	0	0	0	25	6
Lec	0	0	0	0	0	0	119	29
Liebherr	0	0	0	0	0	0	24	6
Miele	31	8	28	7	33	8	35	8
Neff	45	11	0	0	49	12	50	12
Philco	19	5	19	5	14	3	0	0
Smeg	11	3	0	0	15	4	16	4
Tricity Bendix	133	32	109	27	111	27	145	35
Westinghouse	6	1	4	1	6	1	13	3
Whirlpool	129	31	103	26	113	27	130	31
White Knight	7	2	32	8	0	0	0	0
Zanussi	233	57	209	52	215	52	229	55

*This figure means that, of retail businesses which sold any brand of CFS equipment, 5 per cent bought the product direct from Admiral. Percentages throughout this table have similar meanings.

#Includes Bosch and Siemens brands.

FC(M)

Q22: Which brands of WHITE GOODS do you buy direct from CIH (excluding those you settle through CIH but order direct from suppliers)?

TABLE 15 **Q22: Survey responses-brands of reference white goods reported obtained direct from**

	Reference good							
	WM (no)	*WM (%)*	*TD (no)*	*TD (%)*	*DW (no)*	*DW (%)*	*CFS (no)*	*CFS (%)*
Totals								
Retail businesses	411		400		415		415	
Responses to Q22	140		132		125		142	
Brand								
Admiral	0	0	0	0	0	0	0	0
AEG	5	1	4	1	4	1	4	1
Amana	0	0	0	0	0	0	0	0
Ariston	46	11*	26	7	30	7	36	9
Asko	11	3	8	2	9	2	10	2
Blomberg	0	0	0	0	0	0	0	0
Bosch-Siemens	14	3	13	3	13	3	13	3
Candy	14	3	10	3	6	1	16	4
Creda	53	13	81	20	24	6	27	7
Electrolux	26	6	21	5	20	5	58	14
Frigidaire	3	1	2	1	0	0	51	12
Gaggenau	1	0	1	0	1	0	2	0
Hoover	91	22	61	15	48	12	0	0
Hotpoint	109	27	91	23	84	20	99	24
Indesit	20	5	13	3	15	4	20	5
Kelvinator	0	0	0	0	0	0	7	2
Lec	7	2	6	2	7	2	117	28
Liebherr	0	0	0	0	0	0	1	0
Miele	3	1	3	1	3	1	3	1
Neff	3	1	0	0	3	1	4	1
Philco	26	6	9	2	3	1	0	0
Smeg	0	0	0	0	0	0	0	0
Tricity Bendix	93	23	69	17	66	16	109	26
Westinghouse	0	0	0	0	0	0	3	1
Whirlpool	72	18	37	9	46	11	63	15
White Knight	3	1	11	3	0	0	0	0
Zanussi	70	17	55	14	59	14	71	17

*This figure means that, of retail businesses who sold any brand of washing machine, 11 per cent bought Ariston washing machines through CIH. Percentages throughout this table have similar meanings.

Q23 and Q24 are equivalent to Q21 and Q22, asking about the brown goods which were the subject of our concurrent inquiries.

Supply conditions (other than pricing)

FC(S) Q25: Do any of your suppliers impose conditions on your shop appearance, staff training or levels of service?

[ ] Yes

[ ] No

Open Q27: Do you have a written agreement with any of your suppliers on these matters? If so, which suppliers?

Table 16 summarizes the answers to both of these questions.

TABLE 16 **Q25 and Q27: Survey responses-reported imposition of conditions by suppliers**

Reference good

	WM	*TD*	*DW*	*CFS*
Totals				
Respondents to Q25	408	397	412	412
Number reporting conditions*	129	126	129	129
% of respondents	*32*	*32*	*31*	*31*
Number reporting written agreement	114	110	111	113
% of respondents	*28*	*28*	*27*	*27*

*Whether in answer to Q25 or Q27 (without double counting when both report conditions).

Open

Q26: If yes [to Q25], which suppliers and which conditions?

Table 17 analyses the conditions reported by type and reference good; Table 18 breaks down the same answers to show the five most frequently-cited brands of reference white goods.

TABLE 17 **Q26: Survey responses-detail of supplier conditions***

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents answering `Yes' to Q25	129	126	129	129
Q26 respondents	69	68	70	68
Conditions (some replies cited more than one)	112	111	113	111
Respondents reporting#				
(a) Competence in after-sales/servicing ~	23	23	23	22
% of Q26 respondents	*33*	*34*	*33*	*32*
(b) Quality of premises	15	15	15	15
% of Q26 respondents	*22*	*22*	*21*	*22*
(c) Quality/knowledge of staff	24	23	24	24
% of Q26 respondents	*35*	*34*	*34*	*35*
(d) Customer service	6	6	6	6
% of Q26 respondents	*9*	*9*	*9*	*9*
(e) Marketing/display	31	31	32	31
% of Q26 respondents	*45*	*46*	*46*	*46*
(f) Other	13	13	13	13
% of Q26 respondents	*19*	*19*	*19*	*19*

*Each of the categories represents distinct conditions cited in the responses, so that for example, training of sales staff and training of maintenance/repair staff were first counted separately before being combined, with others, in category *(c)*. Double counting has been avoided: no respondent scores more than once in the same category.

#Each table entry shows the number of respondents who said that at least one of their suppliers set conditions on the continuing supply of that reference good. Such conditions were counted when key terms of supply (in practice, net buying price) depended on the fulfilment of conditions as well as when the reply said or implied that supply would otherwise be withheld entirely.

~ Respondent counts in this row are greater than corresponding figures in Table 18. Like the remaining rows of the table, they include replies by respondents (mainly selling brown as well as white reference goods) who reported conditions without specifying the reference good(s) in question. In the case of the conditions grouped in category *(a)* some 20 replies are of this kind: they have been included in line with the approach explained in paragraph 3 of the introduction to this appendix. But they seem anomalous, perhaps because some of the respondents did not have reference white goods in mind, and have been given little weight.

TABLE 18 **Q26: Survey responses-conditions attributed to suppliers of reference white goods**

	Brand					
	Hotpoint	*Miele*	*Zanussi*	*AEG*	*Hoover*	*Other*
Totals						
Direct-supplied retail businesses (via Q21)	217	36	242	90	154	343
Q26 respondents who cite brand	21	9	12	10	6	23
Total conditions cited	32	15	14	10	8	31
Respondents reporting						
(a) Competence in after sales/ servicing	1	0	0	0	0	1
% of direct-supplied businesses	*0*	*0*	*0*	*0*	*0*	*0*
(b) Quality of premises	4	2	1	0	1	3
% of direct-supplied businesses	*2*	*6*	*0*	*0*	*1*	*1*
(c) Quality/knowledge of staff	4	7	2	6	1	13
% of direct-supplied businesses	*2*	*19*	*1*	*2*	*1*	*4*
(d) Customer service	4	1	1	0	1	1
% of direct-supplied businesses	*2*	*3*	*0*	*0*	*1*	*0*
(e) Marketing/display	13	4	5	2	4	9
% of direct-supplied businesses	*6*	*11*	*2*	*2*	*3*	*3*
(f) Other	6	1	5	2	1	4
% of direct-supplied businesses	*3*	*3*	*2*	*2*	*1*	*1*

Among the `other' conditions reported were prohibitions on selling to other retailers and conditions linking terms for the supply of spares to the respondent's turnover of spares in recent years.

FC(S) Q28: Since January 1993 has any supplier refused to supply you?

[ ] Yes

[ ] No

FC(S) Q31: Was the refusal in writing?

[ ] Yes

[ ] No

TABLE 19 **Q28 and Q31: Survey responses-alleged refusal to supply**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents to Q28	404	393	408	408
Supply allegedly refused (Q28)*	32	27	32	31
% of respondents	*8*	*7*	*8*	*8*
Supply not refused	372	366	376	377
% of respondents	*92*	*93*	*92*	*92*
Alleged written refusal to supply (Q31)	10	9	11	11
% of respondents	*2*	*2*	*3*	*3*

*Table entries show respondents allegedly refused supply of each reference good, whether by one supplier or more. Table 21 shows the larger scores obtained when each supplier alleged to have refused the respondent is counted separately.

Open Q29: If yes, [to Q28] which supplier, which goods and when?

FC(M) Q30: Why was this?

[ ] Unsuitable premises

[ ] Low standard of staff training

[ ] Low volume

[ ] Locality already supplied

[ ] Credit risk

[ ] Other

Open (Please specify)

The grounds quoted by respondents have been grouped into the categories listed in Tables 20*(a)* to 20*(d)*, which combine responses to Q29 and Q30 for each reference good and the most frequently cited suppliers.[1] Thirty-four respondents gave date(s) of alleged refusal to supply, too few to reveal statistically significant trends: most alleged refusals during the last three years.

TABLE 20*(a)* **Q29 and Q30: Survey responses-grounds for alleged refusal to supply washing machines**

	Brand/supplier				
	Hotpoint	*Emaco**	*Miele*	*Others*	*Not stated*
Totals					
Direct-supplied retail businesses (via Q21)	214	304	31	323	-
Respondents alleging refusal of supply on any ground	6	4	3	19	3
Total citations by respondents	6	5	3	22	3
Respondents alleged supply refused because					
(a) Turnover insufficient	2	1	1	2	1
% of direct-supplied businesses	*1*	*0*	*2*	*1*	-
(b) Locality already supplied	2	1	0	8	1
% of direct-supplied businesses	*1*	*0*	*0*	*2*	-
(c) Premises unsuitable	0	0	1	3	0
% of direct-supplied businesses	*0*	*0*	*2*	*1*	-
(d) Other	2	3	1	6	1
% of direct-supplied businesses	*1*	*1*	*2*	*2*	-

*Supplier of AEG, Electrolux, Tricity Bendix and Zanussi brands.

TABLE 20*(b)* **Q29 and Q30: Survey responses-grounds for alleged refusal to supply tumble driers**

	Brand/supplier					
	Hotpoint	*Creda*	*Emaco*	*Miele*	*Others*	*Not stated*
Totals						
Direct-supplied retail businesses (via Q21)	199	146	275	28	304	-
Respondents alleging refusal of supply on any ground	5	3	3	3	14	3
Total citations by respondents	5	3	4	3	15	3
Respondents alleged supply refused because						
(a) Turnover insufficient	1	1	1	1	2	1
% of direct-supplied businesses	*1*	*1*	*0*	*2*	*1*	-
(b) Locality already supplied	2	0	1	0	6	1
% of direct-supplied businesses	*1*	*0*	*0*	*0*	*2*	-
(c) Premises unsuitable	0	0	0	1	3	0
% of direct-supplied businesses	*0*	*0*	*0*	*2*	*1*	-
(d) Other	1	2	2	1	4	1
% of direct-supplied businesses	*1*	*1*	*1*	*2*	*1*	-

[1] `Direct-supplied retail business' numbers in Tables 20*(a)* to 20*(d)* are extracted from the whole survey sample and exclude retailers who did not obtain the brand of reference good direct from the named supplier.

TABLE 20*(c)* **Q29 and Q30: Survey responses-grounds for alleged refusal to supply dishwashers**

	Brand/supplier				
	Hotpoint	*Emaco*	*Miele*	*Others*	*Not stated*
Totals					
Direct-supplied retail businesses (via Q21)	204	287	33	313	-
Respondents alleging refusal of supply on any ground	6	4	3	18	3
Total citations by respondents	6	5	3	19	3
Respondents alleged supply refused because					
(a) Turnover insufficient	2	1	1	2	1
% of direct-supplied businesses	*1*	*0*	*2*	*1*	-
(b) Locality already supplied	2	1	0	8	1
% of direct-supplied businesses	*1*	*0*	*0*	*3*	-
(c) Premises unsuitable	0	0	1	3	0
% of direct-supplied businesses	*0*	*0*	*2*	*1*	-
(d) Other	2	3	1	6	1
% of direct-supplied businesses	*1*	*1*	*2*	*2*	-

TABLE 20*(d)* **Q29 and Q30: Survey responses-grounds for alleged refusal to supply CFS equipment**

	Brand/supplier				
	Hotpoint	*Emaco*	*Miele*	*Others*	*Not stated*
Totals					
Direct-supplied retail businesses (via Q21)	209	312	35	334	-
Respondents alleging refusal of supply on any ground	6	4	3	17	3
Total citations by respondents	6	5	3	17	3
Respondents alleged supply refused because:					
(a) Turnover insufficient	2	1	1	2	1
% of direct-supplied businesses	*1*	*0*	*2*	*1*	-
(b) Locality already supplied	2	1	0	8	1
% of direct-supplied businesses	*1*	*0*	*0*	*2*	-
(c) Premises unsuitable	2	0	1	3	0
% of direct-supplied businesses	*1*	*0*	*2*	*1*	-
(d) Other	0	3	1	4	1
% of direct-supplied businesses	*0*	*1*	*2*	*1*	-

Some respondents were allegedly refused supply by more than one supplier, and the total numbers allegedly refused on each ground (in respect of each reference good) cannot be obtained accurately from Tables 20a to 20d. This analysis is given in Table 20*(e)*.

TABLE 20*(e)* **Q29 and Q30: Survey responses-grounds for alleged refusal to supply**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Direct-supplied retail businesses (via Q21)	379	360	374	381
Respondents alleging refusal of supply on any ground	30	25	30	30
Respondents alleged supply refused because:				
(a) Turnover insufficient	7*	7	7	7
% of direct-supplied businesses	*2*	*2*	*2*	*2*
(b) Locality already supplied	11	9	11	11
% of direct-supplied businesses	*3*	*3*	*3*	*3*
(c) Premises unsuitable	2	1	2	2
% of direct-supplied businesses	*1*	*0*	*1*	*1*
(d) Other	12	10	12	11
% of direct-supplied businesses	*3*	*3*	*3*	*3*

*This figure means that 7 respondents reported that they were refused supplies of washing machines because their turnover was insufficient, whether by one supplier or more. Other entries in the table have equivalent meanings.

TABLE 20*(f)* **Survey responses-total number of reports of alleged refusal to supply**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Alleged refusals (Q29, 30)*	40	36	40	39

*In this table a respondent counts once for each supplier alleged to have refused him supply The figures are higher than those shown in Table 19 because some respondents alleged that they had been refused supplies by more than one supplier.

FC(S) Q32: Did anything happen subsequently [ie subsequent to the alleged refusal to supply]

[ ] Yes

[ ] No

Open Q33: If yes, what?

TABLE 21 **Q32 and Q33: Survey responses-respondents reporting the outcome of an alleged refusal to supply**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Alleged refusals (Q29, 30)*	40	36	40	39
Responses to Q32	30	25	30	30
\`Yes'	12	10	12	12
% of Q32 respondents	*40*	*40*	*40*	*40*
\`No'	18	15	18	18
% of Q32 respondents	*60*	*60*	*60*	*60*
*Outcomes reported (Q33)**				
Direct supply obtained	5	5	5	5
% of Q32 respondents	*17*	*20*	*17*	*17*
Indirect supply obtained	4	3	4	4
% of Q32 respondents	*13*	*12*	*13*	*13*
Alleged refusal maintained	2	1	2	2
% of Q32 respondents	*7*	*4*	*7*	*7*
In negotiation	0	0	0	0
% of Q32 respondents	*0*	*0*	*0*	*0*

*Outcomes do not always sum to the number of respondents who answered \`Yes' to Q32: some did not go on to answer Q33, while others gave answers amounting to more than one outcome.

Pricing

FC(S) Q34: Do all your suppliers issue you with trade price lists?

[ ] Yes

[ ] No

Open Q35: If no, please state the names of those who do not.

TABLE 22 **Q34 and Q35: Survey responses-issue of suppliers' trade price lists**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents to Q34	406	395	410	410
`Yes'	379	369	382	383
% of Q34 respondents	*93*	*93*	*93*	*93*
`No'	27	26	28	27
% of Q34 respondents	*7*	*7*	*7*	*7*
Reply to Q35 cites supplier	2	2	2	2

FC(S)

Q36: Do all your suppliers issue you with RRP lists or their own suggested price lists?

[ ] Yes

[ ] No

Open

Q37: If no, please state the names of those who do not.

TABLE 23 **Q36 and Q37: Survey responses-issue of suppliers' RRP or suggested price lists**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents to Q36	408	397	412	412
`Yes'	379	367	382	382
% of Q36 respondents	*93*	*92*	*93*	*93*
`No'	29	30	30	30
% of Q36 respondents	*7*	*8*	*7*	*7*
Reply to Q37 cites supplier	6	7	6	6

FC(S)

Q38: Do you take account of RRPs or Suppliers' suggested prices in setting your prices?

[ ] Yes

[ ] No

TABLE 24 **Q38: Survey responses-retailers taking account of RRPs or SSPs**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents to Q38	407	396	411	411
`Yes'	365	356	368	368
% of respondents	*90*	*90*	*90*	*90*
`No'	42	40	43	43
% of respondents	*10*	*10*	*10*	*10*

FC(S)

Q39: Do your suppliers offer you any incentives, eg increased discounts or margins, if you adhere to their suggested prices?

Open

Q40: If yes, which suppliers and what incentives?

TABLE 25 **Q39 and Q40: Survey responses-alleged incentives to adhere to RRPs or SSPs**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents to Q39	406	395	410	410
Replies to Q39				
`Yes'*	26	25	26	26
% of respondents	*6*	*6*	*6*	*6*
`No'	380	370	384	384
% of respondents	*94*	*94*	*94*	*94*
Replies to Q40				
Increased discount	12	12	12	12
Advertising allowance	0	0	0	0
Other	2	2	2	1
Unspecified	8	8	8	8

*One respondent who answered `Yes' to Q39 is excluded because his reply to Q40 relates to practices other than selling below RRPs.

FC(S)

Q41: Do you ever charge prices higher than RRPs or suppliers' suggested prices?

[ ] Yes

[ ] No

TABLE 26 **Q41: Survey responses-charging above suppliers' RRPs or suggested prices**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents to Q41	404	393	408	409
`Yes'	93	94	94	94
% of respondents	*23*	*24*	*23*	*23*
`No'	311	299	314	315
% of respondents	*77*	*76*	*77*	*77*

FC(S)

Q42: Do you ever charge prices lower than either RRPs or suppliers' suggested (or promotional) prices?

[ ] Yes

[ ] No

TABLE 27 **Q42: Survey responses-charging below suppliers' RRPs or suggested prices**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents to Q42	404	393	408	408
`Yes'	380	369	385	384
% of respondents	*94*	*94*	*94*	*94*
`No'	24	24	23	24
% of respondents	*6*	*6*	*6*	*6*

Open

Q43: If not, why not [charge below RRP/SSP]?

Two answers suggested supplier objection as a factor: in all other cases the reason was to maintain adequate profitability.

FC(S)

Q44: If you do charge prices below RRPs, do you show both prices on your price tickets?

TABLE 28 **Q44: Survey responses-ticketing below suppliers' RRPs or suggested prices**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Retail businesses	411	400	415	415
Respondents who have charged below RRP/SSP (Q42)	380	369	385	384
Respondents to Q44	374	364	378	377
`No'	135	130	138	139
% of retail businesses	*33*	*33*	*33*	*33*
`Yes'	239	234	240	238
% of retail businesses	*58*	*59*	*58*	*57*

FC(S) Q45: Will you go below your ticket price for customers who want to bargain or ask you to match a price?

[ ] Yes

[ ] No

FC(S) Q46: If yes, how far would you go below your ticket price?

[ ] < 2%   [ ] 3%-5%   [ ] 6%-10%   [ ] over 10%

TABLE 29 **Q45 and Q46: Survey responses-bargaining below ticket prices or price-matching**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Retail businesses	411	400	415	415
Respondents who have charged below RRPs (Q42)	380	369	385	384
Respondents to Q45	405	395	409	409
Bargain or price-match below ticket price (Q45)				
`No'	36	33	39	39
% of retail businesses	*9*	*8*	*9*	*9*
`Yes'	369	362	370	370
% of retail businesses	*90*	*91*	*89*	*89*
How far below ticket price? (Q46)				
2%	10	10	10	9
3-5%	137	136	137	136
6-10%	159	154	159	160
Over 10%	45	44	47	47

FC(S) Q47: Will you quote your own prices over the telephone?

[ ] Yes

[ ] No

TABLE 30 **Q47: Survey responses-willingness to quote by phone**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Retail businesses	411	400	415	415
Respondents to Q47	401	390	405	405
`No'	64	59	65	65
% of retail businesses	*16*	*15*	*16*	*16*
`Yes'	337	331	340	340
% of retail businesses	*82*	*83*	*82*	*82*

FC(M) Q48: If no [quote own prices by telephone], why not?

[ ] Supplier would not like it

Open If so, which supplier?

[ ] It would help competitors

[ ] Attract timewasters

Open [ ] Other
(please specify)

TABLE 31 **Q48: Survey responses-reasons against price quotation by telephone**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents to Q48	56	51	57	57
Reasons	90	84	91	91
Reasons given				
Might help competitors	29	28	29	29
% of respondents	*52*	*55*	*51*	*51*
Attract timewasters	25	23	26	26
% of respondents	*45*	*45*	*46*	*46*
Supplier would not like it	8	8	8	8
% of respondents	*14*	*16*	*14*	*14*
Other	24	21	24	24
% of respondents	*43*	*41*	*47*	*47*

FC(S) Q49: When your prices are lower than RRP do you advertise that fact? (Except when a supplier is sponsoring a reduction.)

[ ] Yes

[ ] No

FC(M) Q50: If no, why not?

[ ] Supplier would not like it

Open If so, which supplier?

[ ] It would help competitors

[ ] Other
Open (Please specify)

TABLE 32 **Q49 and Q50: Survey responses-advertising prices below suppliers' RRPs or suggested prices**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Retail businesses	411	400	415	415
Respondents to Q49	393	382	397	397
Advertise prices below RRP (Q49)				
`No'	221	214	224	224
% of retail businesses	*54*	*54*	*54*	*54*
`Yes'	172	168	173	173
% of retail businesses	*42*	*42*	*42*	*42*
If not, why not? (Q50)				
Might help competitors	25	25	25	25
% of Q49 respondents answering `No'	*11*	*12*	*11*	*11*
Supplier would not like it	21	20	20	21
% of Q49 respondents answering `No'	*10*	*9*	*9*	*9*
Other	158	152	162	161
% of Q49 respondents answering `No'	*71*	*71*	*72*	*72*

One hundred and twenty-seven respondents who cited `other' reasons against advertising prices below RRP went on to say what these were: 42 said it was not their company policy to advertise at all; 32 that advertising prices was unnecessary; and 18 that advertising was too costly or not cost-effective. Most kitchen suppliers said they advertised packages, not reference goods.

FC(S) Q51: If you are prepared to bargain or match a price, do you advertise that fact?

[ ] Yes

[ ] No

FC(M) Q52: If no, why not?

[ ] Supplier would not like it

Open If so, which supplier?

[ ] It would help competitors

[ ] Attract timewasters

[ ] Other

Open (Please specify)

FC(S) Q53: If yes, have any of your suppliers objected?

[ ] Yes

[ ] No

TABLE 33 **Q51, Q52 and Q53: Survey responses-advertising willingness to bargain or price-match**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Retail businesses	411	400	415	415
Respondents who have charged below RRP/SSP (Q42)	380	369	385	384
Respondents to Q51	366	359	367	367
Advertise willingness to bargain etc (Q51)				
\`No'	265	258	266	266
% of respondents	*72*	*72*	*72*	*72*
\`Yes'	101	101	101	101
% of respondents	*28*	*28*	*28*	*28*
If \`No', why not?				
Would attract timewasters	83	78	82	83
% of Q51 respondents answering \`No'	*31*	*30*	*31*	*31*
Might help competitors	43	42	43	43
% of Q51 respondents answering \`No'	*16*	*16*	*16*	*16*
Supplier would not like it	13	12	13	13
% of Q51 respondents answering \`No'	*5*	*5*	*5*	*5*
Other	184	179	185	185
% of Q51 respondents answering \`No'	*69*	*69*	*70*	*70*
If \`Yes', has any supplier objected?				
\`No'	87	87	87	87
% of Q51 respondents answering \`Yes'	*86*	*86*	*86*	*86*
\`Yes'	6	6	6	6
% of Q51 respondents answering \`Yes'	*6*	*6*	*6*	*6*

One hundred and twenty-five respondents who cited \`other' reasons against advertising willingness to bargain or price-match went on to say what these were. Responses included 15 who said that such advertising was against company policy; 28 who said that they did not advertise at all; 35 answers indicated reluctance to encourage customers to bargain; 32 said that such advertising was ineffective or inappropriate; and 5 respondents said that they preferred to bargain face-to-face.

Open Q54: If yes, [supplier allegedly objecting to the retailer advertising a willingness to bargain or match a price] which supplier and about which reference product?

FC(M) Q55: What did the supplier say?

[ ] Supplies would be withdrawn

[ ] Supply of particular models would be difficult

[ ] Credit would be difficult

[ ] Other
Open (Please specify)

FC(S) Q56: Did the supplier put anything in writing?

[ ] Yes

[ ] No

No respondent reported a written objection and Table 34 therefore does not include answers to Q56.

TABLE 34 **Q54 and Q55: Survey responses-alleged supplier objection to advertising of willingness to bargain**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Retail businesses	411	400	415	415
Advertise willingness to bargain (Q51)	73	73	73	73
Alleged objections by suppliers (Q54)*#	5	4	4	4
What did supplier say? (Q55)				
Supplies would be withdrawn	0	1	0	0
Problems over particular models	2	3	2	2
Credit difficult	0	0	0	0
Other#	2	0	0	0

*The numbers of reports of alleged objection by a named supplier. Some respondents reported objections by more than one supplier of a particular reference good.

#Figures exclude the answer of one respondent who said all his suppliers had objected. This would add the following citation numbers:

WM: 14
TD: 13
DW: 15
CFS: 21

FC(S)

Q57: If, since 1 January 1993 you have sold below RRPs, have any of your suppliers commented?

[ ] Yes

[ ] No

[ ] Not applicable

TABLE 35 **Q57: Survey responses-suppliers reported as commenting on charging below RRP or suggested prices**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents to Q57*	401	390	405	405
`Yes'	46	46	46	46
% of respondents	*11*	*12*	*11*	*11*
`No'	345	334	350	349
% of respondents	*86*	*86*	*86*	*86*

*Including respondents who ticked the `Not Applicable' option.

Q58: If no or not applicable, [answer to Q57] go to Q70.

Open

If yes, which suppliers, about which reference goods and what did the supplier say?

There were 35 mentions of specific brands, some respondents citing more than one.

Some answers reported what a supplier had said. These have been included, with the answers to Q59 to Q63, in Table 36.

FC(S)

Q59: Did the supplier suggest your business might suffer if you carried on in this way?

[ ] Yes [ ] No

FC(S)

Q60: Did the supplier suggest that supplies would be withdrawn?

[ ] Yes [ ] No

FC(S) Q61: Did the supplier suggest that it would be difficult for you to get the models you wanted?

[ ] Yes [ ] No

FC(S) Q62: Did the supplier suggest that your credit conditions would be more demanding?

[ ] Yes [ ] No

FC(S) Q63: Did the supplier suggest that deliveries would become more difficult?

[ ] Yes [ ] No

42 respondents who sold reference white goods answered at least one of Q58 to Q63 (91 per cent of those who answered `Yes' to Q57). Replies and response rates in respect of each reference good are:

WM: 32 (70% of Q57 = `Yes')

TD: 28 (61% of Q57 = `Yes')

DW: 29 (63% of Q57 = `Yes')

CFS: 29 (63% of Q57 = `Yes').

TABLE 36 **Q59 to Q63: Survey responses-reported supplier comments on pricing below RRPs or SSPs**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents who have charged below RRP (Q42)	380	369	385	384
Comments (some respondents reported more than one)	48	42	47	43
Comments reported				
(a) Business might suffer (Q59 = `Yes'*)	6	5	6	5
% of comments	*13*	*12*	*13*	*12*
(b) Supplies might be withdrawn (Q60 = `Yes')	5	4	5	4
% of comments	*10*	*10*	*11*	*9*
(c) Difficult to get models wanted (Q61 = `Yes')	5	4	5	4
% of comments	*10*	*10*	*11*	*9*
(d) More demanding credit conditions (Q62 = `Yes')	2	2	2	2
% of comments	*4*	*5*	*4*	*5*
(e) Deliveries might become difficult (Q63 = `Yes')	2	2	2	2
% of comments	*4*	*5*	*4*	*5*
(f) Supplier aware; no adverse comment (Q58)	13	11	11	11
% of comments	*27*	*26*	*23*	*26*
(g) Advise restoration of RRP (Q58)	6	6	7	7
% of comments	*13*	*14*	*15*	*16*
(h) Upsetting competitors (Q58)	3	3	4	3
% of comments	*6*	*7*	*9*	*7*
(i) Margin protection might be withdrawn (Q58)	1	1	1	1
% of comments	*2*	*2*	*2*	*2*
(j) Unspecified threat/concern (Q58)	5	4	4	4
% of comments	*10*	*10*	*9*	*9*

*Data include one case in which the respondent answered `No' to Q59, but whose answer to Q58 reported a warning that his business might suffer.

FC(S) Q64: Is there anything in writing about this [ie about selling below RRP]?

Only one respondent reported any written comment.

FC(S) Q65: Did any of these suggested consequences (ie Q59 to Q63) actually happen?

[ ] Yes

[ ] No

Open Q66: If yes, which?

Two respondents said that consequences had occurred. In the first, the respondent alleged that deliveries of particular models of washing machines and refrigerators were delayed. In the second, the respondent alleged that supplies of one brand had become difficult and his credit limit in respect of another had been sharply reduced.

FC(S) Q67: Is there anything in writing about these consequences?

[ ] Yes

[ ] No

No retailer reported any comment put in writing.

FC(S) Q68: All this is most interesting. Was it like this in earlier years?

[ ] Yes

[ ] No

Open Q69: If yes, give as full an account as possible.

Table 37 combines the replies to Q68 and Q69 (the latter reduced to change/no change form and without repeating duplicates of Q68 answers). It includes answers from four respondents to Q69 who did not answer Q68.

TABLE 37 **Q68 and Q69: Survey responses-changing supplier attitudes to charging below RRPs or SSPs-respondents who reported that supplier(s) *had* commented on pricing below RRPs or SSPs**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents to Q68 or Q69	39	39	39	39
\`Yes' (unchanged)	23	23	23	23
% of combined Q68 and Q69 respondents	*59*	*59*	*59*	*59*
\`No' (changed)	16	16	16	16
% of combined Q68 and Q69 respondents	*41*	*41*	*41*	*41*

Open Q70: If you answered no or not applicable to Q57, what were suppliers' attitudes to pricing before 1993?

Twenty-one replies have been excluded from Table 38, either because they were irrelevant to supplier attitudes to *pricing* or because respondents said that their businesses were too recently established for a view to be taken. A few respondents referred to single incidents in the past: these are insignificant as indicators of overall change in supplier attitude and have been counted as \`No change' answers. But others cited general change in the attitude or practices of *specific* suppliers: these have been counted as \`changes' and attributed to the reference goods produced by the supplier in question *and* stocked by the respondent.

TABLE 38 **Q70: Survey responses-changing supplier attitudes to pricing-respondent who said their supplier(s) had *not* commented on pricing below RRP or suggested prices**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents who did not answer `Yes' to Q57*	365	354	369	369
Relevant replies to Q70	341	327	344	339
Respondents reporting views as given below				
(a) Supplier attitudes unchanged	236	228	239	239
% of relevant replies	*69*	*70*	*69*	*71*
(b) Somewhat less strict supplier attitudes now	71	70	71	67
% of relevant replies	*21*	*21*	*21*	*20*
(c) Much less strict supplier attitudes now	20	16	20	20
% of relevant replies	*6*	*5*	*6*	*6*
(d) Supplier attitudes stricter now	4	4	4	4
% of relevant replies	*1*	*1*	*1*	*1*
(e) Other	10	10	10	9
% of relevant replies	*3*	*3*	*3*	*3*

*Five replies to Q70 were from respondents who had answered `Yes' to Q57. These replies are included in the table entries: none were irrelevant.

FC(S)

Q71: Since January 1993, have any of your suppliers conveyed to you in any other way that they are unhappy about your pricing policy?

[ ] Yes

[ ] No

Open

Q72: If so, in what way?

Only one of the six substantive replies to Q72 added to replies already given to Q58 (and so did not report conveyance `in any other way'). This respondent reported mild pressure to conform to RRPs.

TABLE 39 **Q71: Survey responses-supplier reaction to retailer's pricing policy**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents to Q71	402	391	406	406
`Yes'	7	7	7	7
% of respondents	*2*	*2*	*2*	*2*
`No'	395	384	399	399
% of respondents	*98*	*98*	*98*	*98*

Complaints

Open

Q73: Have local retailers at any time complained to you or to your suppliers, excluding CIH, about your prices for reference goods? If yes, what goods, which retailers, which suppliers and what did they say?

TABLE 40 **Q73: Survey responses-alleged complaints from other retailers about respondents' pricing policy**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents to Q73	271	267	272	274
Q73 respondents answering `No'	220	221	225	226
% `No'	*81*	*83*	*83*	*82*
Q73 respondents answering `Yes'*	51	46	47	48
% `Yes'	*19*	*17*	*17*	*18*
Reports of complaints#				
To supplier	46	40	40	40
To respondent	11	10	11	12
Outcomes of complaints:				
Local complainant				
Sub-total	28	25	26	26
Led to: Supplier action	4	4	4	4
Mention by supplier; no other action	11	10	10	10
No supplier action	13	11	12	12
National (ie multiple) complainant:				
Sub-total	18	15	15	15
Led to: Supplier action	4	3	3	3
Mention by supplier; no other action	10	9	9	9
No supplier action	4	3	3	3
Complainant not stated:				
Sub-total	7	6	6	7
Led to: Supplier action	1	1	1	0
Mention by supplier; no other action	5	4	4	6
No supplier action	1	1	1	1
Other	4	4	4	4

*The numbers of respondents who said that they had received complaints about each reference good, not the numbers of stockists of each reference good receiving complaints about any of them.

#Some respondents reported more than one category of complaint. Columns therefore show slightly more complaints than `Yes' replies to Q73.

The four replies shown as `other' in Table 40 comprise three who said that the complaints had been a long time ago and one that a complaint had been made to the OFT.

FC(S)

Q74: Have you ever complained to your suppliers, excluding CIH, about local competitors' prices?

[ ] Yes

[ ] No

Open Q75: If yes, which suppliers, which goods, when and what was the outcome? Please specify in full.

TABLE 41 **Q74 and Q75: Survey responses-respondents' complaints about competitor's pricing policy**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents to Q74	398	387	402	403
Q74 respondents answering `No'	185	174	187	186
% of respondents	*46*	*45*	*47*	*46*
Q74 respondents answering `Yes'	213	213	215	217
% of respondents	*54*	*55*	*53*	*54*
Reports of complaints (via Q75)*	132	91	98	111
Complained to supplier	118	82	88	101
About national (ie multiple) target	59	40	40	52
Of which-produced result	6	2	2	2
-did not produce result	53	38	38	50
About local target	34	24	28	29
Of which-produced result	9	4	7	8
-did not produce result	25	20	21	21
About unstated target	25	18	20	20
Of which-produced result	4	2	3	3
-did not produce result	21	16	17	17
Other	11	7	9	9

*Numbers of respondents reporting that they complained about each reference good. They differ from the numbers shown as answering `Yes' to Q74 (which are the numbers of stockists of each reference good who complained about any of them). Exact correspondence between the total number answering `Yes' to Q74 and the total complaints at the end of this row is not to be expected: some who said `Yes' to Q74 did not answer Q75. And because a few respondents reported complaining in more than one of the categories of this table, complaint counts are slightly larger than related respondent counts.

Some answers to Q75 were ambiguous or garbled. Table 41 should therefore be treated as indicative rather than precise.

A complaint is scored as producing a `result' either where the answer states this or where it can be reasonably interpreted as indicating that the respondent believed his complaint to have influenced events. (Comments along the lines `the problem disappeared because [the offending competitor] ceased trading' are not taken to indicate any result of the complaint). Examples of the reported `results' of complaining include: obtaining margin support or other financial compensation from a supplier; the offending practice ceased; the supplier extended a special promotion to the complainant; and the supplier allegedly raised the matter with the target retailer (whether or not this produced any effect).

`Other' complaints include cases where the respondent said he accepted the explanation given, and so was no longer looking for any result; complaints about `cowboys'; and misleading advertisements, often about failure to state that heavily discounted goods were `graded' (shop soiled or damaged).

CIH and its regional bodies

FC(S) Q76: If you are not a CIH member, have you ever been refused membership?

[ ] Yes

[ ] No

FC(M) Q77: If no, go to Q85. If yes, why?

[ ] Pricing policy

[ ] Creditworthiness

[ ] Other

Open (Please specify)

TABLE 42 **Q76 and Q77: Survey responses-alleged refusal of CIH membership**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents to Q76*	228	216	232	231
Allegedly refused CIH membership (Q76)	15	15	15	15
% of respondents	*7*	*7*	*6*	*6*
Reasons for alleged refusal (Q77)				
Pricing policy	1	1	1	1
Credit-worthiness	0	0	0	0
Other	13	13	13	13

*In response to Q20, 159 respondents said that they were members of CIH.

FC(S)

Q78: We understand that CIH include manufacturers' recommended retail prices (MRRPs) and suggested selling prices (SSPs) on the price lists they circulate to you. Since 1 January 1993 have you ever received any other retail pricing guidance from CIH on the goods they supply?

[ ] Yes

[ ] No

TABLE 43 **Q78: Survey responses-reported pricing guidance from CIH**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents who are members of CIH*	140	132	125	142
Replies to Q78#	154	155	154	155
`No' (have not received additional price guidance)	117	117	116	117
% of respondents	*76*	*75*	*75*	*75*
`Yes'	37	38	38	38
% of respondents	*24*	*25*	*25*	*25*

*Numbers of respondents to Q22 who obtained each reference good from CIH.
#Numbers of stockists of each reference good who replied to Q78 and, in answer to Q20, said that they were CIH members.

Open

Q79: If yes, in what form and when?

No answer to Q79 specifically suggested that CIH sought to influence retail prices (save in setting its own trade prices), though several others referred to CIH's `own suggested prices'.

FC(S)

Q80: Have you had any complaints from CIH in any form about your pricing?

[ ] Yes

[ ] No

Open

Q81: If yes, please give a full account of what happened and of the action you took.

Four respondents reported such complaints. Two of these said that CIH had reacted to complaints from other another retailer; the other two gave no details. The breakdown by reference good is as follows:

WM - 2
TD - 2
DW - 2
CFS - 3

FC(S) Q82: Have you ever complained to CIH about your competitors' prices?

[ ] Yes

[ ] No

Open Q83: If yes, what was the outcome?

Three replies suggested that CIH took action as a result of the complaints.

TABLE 44 **Q82 and Q83: Survey responses-complaints to CIH**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents who are members of CIH*	140	132	125	142
Replies to Q82#	151	152	151	152
`No'	132	133	132	132
% of respondents	*87*	*88*	*87*	*87*
`Yes'	19	19	19	20
% of respondents	*13*	*12*	*13*	*13*

*Numbers of respondents to Q22 who obtained each reference good from CIH. The numbers are not identical to the CIH membership counts given in answer to Q20.

#Numbers of stockists of each reference good who replied to Q82 and, in answer to Q20, said that they were members of CIH.

FC(S) Q84: Has CIH ever given you any guidance on shop appearance, staff training or levels of service?

[ ] Yes

[ ] No

TABLE 45 **Q84: Survey responses-guidance from CIH**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Respondents who are members of CIH*	140	132	125	142
Replies to Q84#	148	149	148	149
`No'	123	123	122	123
% of respondents	*83*	*83*	*82*	*83*
`Yes'	25	26	26	26
% of respondents	*17*	*17*	*18*	*17*

*Numbers of respondents to Q22 who obtained each reference good from CIH. The numbers are not identical to the CIH membership counts given in answer to Q20.

#Numbers of stockists of each reference good who replied to Q82 and, in answer to Q20, said that they were members of CIH.

Supplier contacts

FC(M) Q85: Who do you deal with in your supplying firms?

[ ] Local representatives

[ ] Area Sales Offices

[ ] Head Office

FC(M) Q86: Roughly how often are you in contact with each of them?

	Local Representative	*Area Sales Office*	*Head Office*
Weekly	[ ]	[ ]	[ ]
Monthly	[ ]	[ ]	[ ]
Quarterly	[ ]	[ ]	[ ]

TABLE 46 **Q85 and Q86: Survey responses-respondents' contacts with their suppliers**

	Reference good			
	WM	*TD*	*DW*	*CFS*
Totals				
Retail businesses	411	400	415	415
Responses to Q85	409	393	409	409
Contact with				
Local representative	372	363	377	379
Area Sales Office	254	245	254	255
Head Office	243	238	248	249
Frequency of contact				
Local representative: Weekly	51	50	51	52
Monthly	293	284	294	294
Quarterly	27	27	29	29
Area Sales Office: Weekly	134	126	133	133
Monthly	86	86	88	88
Quarterly	27	27	26	27
Head Office: Weekly	99	94	101	101
Monthly	52	50	54	54
Quarterly	79	80	79	80

Conclusion

Open

Q87: That has covered the ground, but is there anything else on suppliers' pricing policy you would like to say?

TABLE 47 **Q87: Survey responses-additional comments**

		Reference good			
		WM	*TD*	*DW*	*CFS*
Totals					
Retail businesses		411	400	415	415
Relevant responses to Q87		253	250	257	257
Respondents commenting as summarized below					
SCIP*:	Influences over prices remain	19	20	20	20
	No longer influences over prices:	46	46	45	47
	Wants/supports SCIP	47	48	49	49
	Does not want/support SCIP	11	9	11	12
	Aim to sell at RRP	7	7	7	7
Prices:	Too low	78	78	78	78
	About right	7	7	7	7
	Too high	3	3	3	3
	Want greater price stability	11	10	11	11
	Consider uniformity inevitable#	3	3	3	3
Competition:	Wish to limit (other than via RPM)	5	6	6	6
	Large outlets a problem	83	83	84	84
	Competition strong	13	13	13	13
	Competition weak	1	1	1	1
	Over-supply	6	6	6	6
Other		34	35	35	35

*Supplier control/influence over prices, not necessarily formal.
#ie retail prices considered to be uniform because all retailers were believed to be trading at lowest possible margins.