Annexe H - The iceberg model of detriment
1.1 Chapter 6 discusses consumer satisfaction levels and experiences of problems. It refers to the iceberg effect as a way of describing how consumers’ experience of detriment seems to be heightened and reinforced by the interplay between their underlying beliefs, their behaviour and how they respond to the trader’s behaviour.

1.2 The chapter identifies two key insights from the model. This annexe provides further information about how this concept was developed using insights into consumer behaviour from the research.

1.3 The diagram below summarises the effects of the iceberg model (so-named because consumers seemed largely unaware of the impact of their own behaviour, apparently only being aware of the impact of traders' behaviour).

1.4 The arrows show how the deepest level (beliefs) feeds into and affects consumer behaviour, which in turn affects trader behaviours. This in turn affects the relationship between the consumer and the trader, and has the potential to create a power imbalance. All of these layers, when combined with unacceptable trader behaviour, affect consumers' beliefs, thereby creating and reinforcing a cycle of detriment.
Unacceptable trader behaviour

1.5 At the top of the iceberg are unacceptable trader behaviours, for example, leaving work unfinished, refusing to address snagging issues and causing damage. Unacceptable trader behaviours have significant impact on consumers, for example leading to damage, delay or being charged more than necessary for the work.

Power imbalances

1.6 Beneath this is the consumers’ sense of an imbalance of power which can be caused by the interplay between their own behaviour and trader behaviours. This perceived imbalance of power can be a key cause of emotional detriment because it leaves consumers feeling ineffectual and vulnerable, reinforcing a belief system which positions the consumer as the passive party. This in turn influences their behaviours, with consumers lacking the confidence to question or challenge traders.
Types of trader and consumer behaviours involved in this cycle are considered below:

**Unhelpful trader behaviours**

1.7 Consumers described a variety of trader behaviours which were irritating or upsetting but they which they did not feel confident in confronting traders about. These included:

- **Being hard to reach or not responding to telephone calls**: This was seen as a way of disregarding or avoiding answering consumer queries or only providing cursory explanations of progress.

- **Using jargon** rather than communicating in a clear and simple way.

  ‘They (traders) will just talk rubbish at me because they are deliberately trying to bamboozle me and charge me lots of money [...] I don’t like being deliberately misled.’ (Younger, less experienced)

- **Lacking respect and consideration for the household**: this includes a number of poor behaviours: for example, inconsistent working hours; smoking in the house, letting out the dog or leaving a mess.

  'It doesn’t give a good impression; we’re of a generation that if we say we’re going to do something, we do it. There’s nothing worse than sitting waiting for someone who doesn’t turn up. It was stressful.’ (Inexperienced, complainant)

  'I caught him smoking upstairs, we don’t smoke in this house at all...I wanted him to just get out of the house, I know it’s just something little but when I’ve got children, I don’t want people smoking in the house.’ (Inexperienced, negative consumer)

- **Poor project management skills**: Numerous examples highlighted what consumers viewed as businesses' lack of project management skills: arriving late, inconsistent working hours, having the wrong equipment or failing to schedule sub contractors and deliveries effectively
• **Offering no aftercare after receiving all or most of their fee:** Consumers felt that traders often lost interest towards the end of a job, both because they had been paid for all or part of the job and because they were starting new projects.

   'It’s the culture - they just do the job and want the money there and then. The whole thing is completely wrong; they don’t have the incentive to do the aftercare then, because they have the money.' (Inexperienced, complainant)

• **Pressure to pay up front:** Consumers relayed instances where they felt traders had placed considerable pressure on them to pay for work up front.

1.8 Consumers tend to be appreciative of traders who are conscious of the specific needs of the household and take specific actions in response to those needs. Examples include taking greater care not to leave the property in a hazardous state and ensuring that basic cooking facilities are available where there are young children in the household. In general, consumers’ expectations of trader behaviour seem to be fairly low; therefore, even small gestures like these significantly improve the relationship.

**Unhelpful consumer behaviours**

1.9 A range of consumer behaviours seemed to hinder the success of the project. For example:

• **Reluctance to demand or complain:** Throughout the process, consumers avoided making demands or complaining when problems occurred.

   'I’d be frightened [to complain]. Confrontation, I absolutely hate…' (Younger, less experienced consumer)

• **Minimal involvement in the process:** A lack of time, experience or confidence meant consumers appeared reluctant to monitor progress or question delays.
• **No explicit communication of expectations and house rules:**
Consumers have certain expectations about how they want traders to behave in their homes. These include working hours, good communication and adhering to house rules about smoking, pet care and tidying up. Consumers are not always good at making these expectations clear

• **Expectations unrelated to price:** (Some) consumers who chose the lowest quote still expected the levels of service usually associated with higher quotes.

1.10 Due to the amount of time, money and energy invested in a home improvement, consumers often appeared reluctant to risk the project by challenging the trader where expectations were not met. They lacked a plan as to how they would raise concerns.

'I was getting cross because I felt so ineffective because he wouldn’t finish the kitchen [...] we felt so powerless.' (Experienced, complainant)

’I didn’t feel that intimidated either, I wouldn’t say I was particularly a shrinking violet [...] I felt secure enough to sort of project manage it, but it just sort of snow balled, and then when they get nasty [...] you feel like there’s nothing you can do.’
(Younger, less experienced)

Consumers’ passivity was underpinned by their system of beliefs:

• Feelings of vulnerability were compounded by publicity about rogue traders. Consumers appeared to believe that most traders were capable of using rogue trader tactics. This caused them to be suspicious of motives, having a negative impact on their relationship with traders.

’It’s all this with the cowboy builders, everyone watches this and they get a bit apprehensive then.’ (Younger, less experienced)
• However, at the same time, consumers were anxious not to appear to be bad or difficult customers. They expressed anxieties about supervising or questioning traders’ progress because that would appear ‘pushy’ or ‘difficult’.

‘He said ‘you’ve been an absolute nightmare’ and he got really aggressive and nasty towards me and threatened to walk off the job, and they’ve got you then because you want the job finishing and if they walk off the job then what do you do because you’ve got a reputation then and you can’t get a workman to come.’

(Inexperienced, complainant)

• Research has shown that the home environment has a particular psychological significance, being a space deeply associated with intimacy and this may influence the way consumers carry out transactions that take place in their home.\(^1\) As a consequence it can be difficult for consumers to maintain formal, business-like relationships with traders. Instead, consumers tended to became too friendly which made it harder for them to complain.

• Most consumers invest a lot of emotion and high expectation into home improvements work. Where a project experienced set-backs consumers feel an intense disappointment.

‘I expected to stand there and go ‘ahh, at last my dream kitchen’ [...] and also a bit of pride, you know, that other people in the area haven’t got a new kitchen [...] and also when people come round, I used to think they thought my kitchen was dirty and they

\(^1\) Doorstep selling: A report on the market study (OFT 716 May 2004). This report showed that the home is associated with warmth which may make people less inclined to respond negatively to someone in this environment. Thus for sales at home it is likely that norms for the intimate interpersonal interactions that usually characterise this environment usually seep into what should be, and actually is, a pure business transaction.  

didn’t want to eat out of my kitchen [...] it was such a disgrace’. (Inexperienced, negative consumer)