White Paper on Consumer Affairs
2015

[Summary]

Consumer Affairs Agency,
Government of Japan
Part 1  Today’s consumer issues and consumers’ behavior/attitude

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  Section 2  Consumer issues associated with globalization (p. 4)
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Chapter 3  Adapting to socioeconomic development and other changes in the situation

Reference  Consumer accident information reported to the Consumer Affairs Agency and measures taken by the Consumer Affairs Agency under the Consumer Safety Act (omitted)

- PIO-NET information shown in this document is as of April 27, 2015.
- It takes some time before consultations accepted by local consumer affairs centers are registered as PIO-NET information.
- The numbers of consultations indicated in this document, especially those for FY 2014, are subject to slight increase.
- The value M.T. indicated in survey results refers to the rate calculated by dividing the total count of answers by the number of respondents (N).
- This value usually exceeds 100% for questions that accept multiple answers.
Consumer life is globalizing as the mobility of goods and people increases

- Japan’s import value of consumer goods increased from 9.7 trillion in 1990 to as much as 17.9 trillion in 2014.
- Visitor arrivals reached a record high of 13.41 million in 2014. Travel consumption by tourists has expanded.
- With the widespread availability of the Internet, individual consumers have become able to purchase directly from businesses outside Japan.

**Figure 1-1-1 Trends in the import value of consumer goods**

<table>
<thead>
<tr>
<th>Year</th>
<th>Non-durable consumer goods</th>
<th>Durable consumer goods</th>
<th>Food and other direct consumer goods</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>9.7</td>
<td>2.8</td>
<td>2.9</td>
</tr>
<tr>
<td>1995</td>
<td>10.3</td>
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<td>2.9</td>
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<td>2000</td>
<td>11.5</td>
<td>3.3</td>
<td>2.9</td>
</tr>
<tr>
<td>2005</td>
<td>14.3</td>
<td>4.1</td>
<td>2.8</td>
</tr>
<tr>
<td>2010</td>
<td>13.1</td>
<td>3.9</td>
<td>2.8</td>
</tr>
<tr>
<td>2011</td>
<td>14.3</td>
<td>4.4</td>
<td>2.8</td>
</tr>
<tr>
<td>2012</td>
<td>16.9</td>
<td>4.5</td>
<td>2.8</td>
</tr>
<tr>
<td>2013</td>
<td>17.1</td>
<td>5.3</td>
<td>3.8</td>
</tr>
<tr>
<td>2014</td>
<td>17.9</td>
<td>5.8</td>
<td>3.9</td>
</tr>
</tbody>
</table>

2. Consumer goods out of Japan’s import value of (food and other direct consumer goods, durable consumer goods, and non-durable consumer goods).
3. Numbers do not always add up due to rounding.

**Figure 1-1-7 Trends in the visitor arrivals and Japanese overseas travelers**

<table>
<thead>
<tr>
<th>Year</th>
<th>Visitor arrivals</th>
<th>Japanese overseas travelers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1964</td>
<td>16.90 million</td>
<td>13.16 million</td>
</tr>
<tr>
<td>1966</td>
<td>13.41 million</td>
<td>10.52 million</td>
</tr>
<tr>
<td>1968</td>
<td>18.21 million</td>
<td>14.23 million</td>
</tr>
<tr>
<td>1970</td>
<td>20.12 million</td>
<td>16.90 million</td>
</tr>
<tr>
<td>1972</td>
<td>21.91 million</td>
<td>18.21 million</td>
</tr>
<tr>
<td>1974</td>
<td>23.70 million</td>
<td>20.12 million</td>
</tr>
<tr>
<td>1976</td>
<td>25.49 million</td>
<td>21.91 million</td>
</tr>
<tr>
<td>1978</td>
<td>27.28 million</td>
<td>23.70 million</td>
</tr>
<tr>
<td>1980</td>
<td>29.07 million</td>
<td>25.49 million</td>
</tr>
<tr>
<td>1982</td>
<td>30.86 million</td>
<td>27.28 million</td>
</tr>
<tr>
<td>1984</td>
<td>32.65 million</td>
<td>29.07 million</td>
</tr>
<tr>
<td>1986</td>
<td>34.44 million</td>
<td>32.65 million</td>
</tr>
<tr>
<td>1988</td>
<td>36.23 million</td>
<td>34.44 million</td>
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<td>1990</td>
<td>38.02 million</td>
<td>36.23 million</td>
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<tr>
<td>1992</td>
<td>39.81 million</td>
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<td>1994</td>
<td>41.60 million</td>
<td>39.81 million</td>
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<td>1996</td>
<td>43.39 million</td>
<td>41.60 million</td>
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<tr>
<td>1998</td>
<td>45.18 million</td>
<td>43.39 million</td>
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<tr>
<td>2000</td>
<td>46.97 million</td>
<td>45.18 million</td>
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<tr>
<td>2002</td>
<td>48.76 million</td>
<td>46.97 million</td>
</tr>
<tr>
<td>2004</td>
<td>50.55 million</td>
<td>48.76 million</td>
</tr>
<tr>
<td>2006</td>
<td>52.34 million</td>
<td>50.55 million</td>
</tr>
<tr>
<td>2008</td>
<td>54.13 million</td>
<td>52.34 million</td>
</tr>
<tr>
<td>2010</td>
<td>55.92 million</td>
<td>54.13 million</td>
</tr>
<tr>
<td>2012</td>
<td>57.71 million</td>
<td>55.92 million</td>
</tr>
<tr>
<td>2014</td>
<td>59.50 million</td>
<td>57.71 million</td>
</tr>
</tbody>
</table>

2. The figures of the visitor arrivals are compiled from the “Annual Report of Statistics on Immigration Control” of the Ministry of Justice. The recalculation serves to bring the visitor figures into line with international standards.
Imported goods and foreign visitors make consumers realize globalization

- Consumers are feeling more connected with foreign countries as they see plenty of imported food and products around them and many foreigners visiting Japan.
- Consumers carefully check the labels of imported food and products.

![Figure 1-1-11 Sources of feelings of connection with foreign countries](image)

![Figure 1-1-14 Consumers' attitude toward purchase of imported food and products (e.g., checking labels)](image)
Many of the consultations on businesses outside Japan and imported goods are pertinent to China

- Consumer affairs consultations received by local consumer affairs centers across Japan include those on businesses outside Japan and imported goods, as well as those submitted by foreigners.
- For a decade since FY 2005, the largest part of these consultations have been pertinent to China, followed by the U.S. A majority of recent consultations concerning China are related to online stores (e.g., fake brand-name products, merchandise not delivered).
Import-related consultations on contract and cancellation are increasing

- Consultations on contract, cancellation, and sales methods have been growing recently. For example, consumers complain that they cannot receive foreign brand-name products ordered at online stores or that they want to cancel purchase contracts of import cars due to frequent failures being experienced after the purchase.

- Among import-related consultations, those concerning functionality & quality and safety & hygiene have been decreasing. This suggests that consumers have become able to receive safer and better-quality products than before because of efforts by businesses.

Figure 1-2-7 Subjects of import-related consultations

(Note) Consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015).
Many of consultations on online stores, such as fake products received and merchandise not delivered, are attributed to purchases from businesses outside Japan.

- Since FY 2013, there has been a marked increase in the number of consultations on purchases from online stores, such as “I ordered a brand-name product at an online store but received a fake,” and “I cannot receive the product I paid for.”
- A large part of these consultations are pertinent to websites outside Japan, especially in China.

**Figure 1-2-4-(1)** The number of consultations on online stores, particularly fake products

**Figure 1-2-4-(2)** The number of consultations on online stores, particularly merchandise not delivered

(Note) Consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015).
Section 2  Consumer issues associated with globalization (4)

Consumer problems with online contracts for foreign travel increased

- A growing part of consultations on foreign travel are problems associated with online arrangements.
- Many of these consultations are pertinent to cancellation of reservations. Another common type of complaint is that consumers found after arriving at the travel destination that the quality of the hotel was not as good as they had been informed before.
- Another subject of consultation that has been increasing recently is that while traveling abroad, consumers were involved in trouble relating to “time share,” which is a type of resort hotel membership with real property rights.

Figure 1-2-10-(1)  Consultations on foreign travel (booked through travel agents)

Figure 1-2-10-(2)  Consultations on foreign travel (booked by consumers)

Figure 1-2-11 Consultations on “time share”
More problems are occurring from transactions of financial products with businesses outside Japan

- Problems associated with “binary option” trading with businesses outside Japan sharply increased in FY 2014, peaking in the July-September period. In binary options, investors make predictions about movements in foreign currency and choose from two investment options. If the prediction proves right, the investor will receive a specified amount of money, but otherwise the entire investment will be lost. At the beginning, consumers are told that they can easily make money in a short time. However, once they start, their loss will grow before they realize.
- A notable increase was also observed in the number of problems with FX trading with businesses outside Japan, which were experienced by investors who had purchased automatic trading software.

Figure 1-2-15 The number of consultations on binary option trading with businesses outside Japan

(Note) Consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015).
Consumer problems related to foreign currency trading involve diverse currencies

- Consumer problems in which foreign currencies with low liquidity are purchased with the yen have frequently occurred over the last few years.
- Similar tactics have been observed since FY 2009, but with the target currency changing over time.
- Various currencies have been involved to date, such as Iraqi dinars, Sudanese pounds, and Afghanistan afghani (although the frequency has reduced recently).
- In some cases, consumers were forced to accept an exchange rate more than 200 times that in the foreign exchange market.

Figure 1-2-18-(1) The number of consultations on foreign currency trading (FYs 2009-2012)

(Note) Consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015).
Many of consultations on cross-border trade are concerning online transactions

- The Consumer Affairs Agency’s Cross-Border Consumer Center Japan (CCJ) accepted consultations on cross-border trade.
- Among 4,068 cases of consultation on cross-border trade handled in FY 2014, those concerning online transactions (e-commerce) accounted for 98.6%.
- Consultations on apparel (clothing, shoes, and accessories) accounted for the largest proportion.
- In many of the cases, consumers did not notice that they were dealing with businesses outside Japan until they faced problems because payments were made in yen or the website was written in Japanese.

Figure 1–2–22 Consultations accepted by the Cross-Border Consumer Center Japan (CCJ) (by type of transaction)

(Note) Consultations accepted by the Consumer Affairs Agency’s Cross-Border Consumer Center Japan (CCJ) in FYs 2012-2014.
The nature of problems varies depending on the nationality of the business

- An analysis of consultations on cross-border trade by the location of business shows that the U.S. accounted for the largest part (17.6%), with 702 cases, in FY 2014, followed by China (13.6%), with 543.
- Among consultations on Chinese businesses, 86.7% were pertinent to imitation products and fraud (with “imitation product delivered” accounting for 68.5%, and “suspected fraud” for 18.2%).
- Among cases in which the location of the business was unknown, 75.2% were “suspected fraud,” in which purchased goods were not delivered.

Figure 1-2-28 Consultations accepted by the Cross-Border Consumer Center Japan (CCJ) in FY 2014 (by location of business)

(Notes) 1. Consultations accepted by the Consumer Affairs Agency’s Cross-Border Consumer Center Japan (CCJ) in FY 2014.
2. “Unknown businesses location” is based on information from the consulting person. Cases in which the business is obviously located in Japan are not included.
3. Numbers do not always add up due to rounding.
CCJ supports consumers who have faced problems in transactions with businesses outside Japan

- The Cross-Border Consumer Center Japan (CCJ) is a consultation center for consumers who have faced problems in transactions with businesses outside Japan, such as online stores.
- CCJ collaborates with consumer affairs consultation offices in foreign countries to resolve problems between consumers in Japan and businesses outside Japan.
- Since FY 2015, CCJ has been operated by the National Consumer Affairs Center of Japan (NCAC). This change in the operator is expected to allow CCJ to accumulate knowledge and know-how to offer better consumer affairs consultations, to enhance collaboration with local consumer affairs centers across Japan, and to conduct more effective consumer education and awareness raising, making use of NCAC’s publicity capabilities and know-how.

**Figure 1-3-1 How CCJ responds to consultations**

1. **Consumers in Japan**
   - (1) File a complaint
   - (5) Forward the complaint
   - Give advice
2. **Businesses outside Japan**
   - (1) File a complaint
   - (5) Forward the complaint
   - Propose a solution
3. **Local consumer affairs centers across Japan**
   - (1) File a complaint
   - (5) Forward the response
   - Give advice
4. **Consultation Offices in foreign countries**
   - (2) Forward the translated complaint
   - Propose a solution
   - (4) Forward the translated response
5. **Cross-border Consumer Center Japan (CCJ)**
   - (3) Forward the complaint
   - Propose a solution
   - (5) Forward the response
   - Give advice
Section 4 International collaboration and cooperation on consumer administration

The OECD has carried out consumer awareness-raising campaigns on product safety, etc.

- Japan is an actively participating in the activities of the OECD Committee on Consumer Policy (CCP).

Enhancing bilateral/multilateral collaboration/cooperation with China, South Korea, Vietnam, etc.

- The 6th Consultative Meeting on Consumer Policy among China, Japan and Korea (Director General-level meeting) was held in July 2014.
- The three countries discussed consumer problems of elderly people and closer trilateral collaboration in consumer consultation on cross-border trade.
- Japan implements development cooperation to Vietnam in the enhancement of consumer protection administration by dispatching experts and offering training courses.

Global Awareness-raising Campaign on Laundry Detergent Capsules/packets

- Kids don't see the difference
- Keep laundry capsules away from children
- #LaundrySafe
Even more consumers use the Internet

- Smartphones have rapidly become more widespread in recent years, with 30% of households aged 70 years and over owning them.
- The Internet use rate has risen even among older generations recently.
- As more households use the Internet, household spending over the Internet is growing year after year.

**Figure 2-1-21 Changes in the penetration of information communications devices**

- Mobile phones/PHS handsets (including smartphones)
- Fixed-line telephones
- Computers
- Smartphones
- Internet-enabled home game consoles
- Tablets
- Other Internet-enabled home appliances (information appliances)

(Notes) 1. Ministry of Internal Affairs and Communications, "Communications Usage Trend Survey in 2013." The figures indicate the ownership rate among households for each type of device.
2. Since the end of 2009, "mobile phones/PHS handsets" include personal digital assistants (PDAs). Since the end of 2010, the category includes "smartphones" as well.

(Note) Cabinet Office, "Consumer Confidence Survey" (households of two or more persons).
More consumers are committed to take action, such as closely checking labels

- More consumers are committed to take action, such as “closely checking and understanding labels and descriptions before selecting products/services,” “notifying businesses of any problem with products/services,” and “knowing and having in mind how to respond to potential problems.”

Figure 2-2-1 Actions consumers are committed to take

Closely check and understand labels and descriptions before selecting products/services

<table>
<thead>
<tr>
<th></th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>15.3</td>
<td>19.5</td>
<td>20.7</td>
</tr>
<tr>
<td>Strongly committed</td>
<td>66.6</td>
<td>71.7</td>
<td>78.1</td>
</tr>
<tr>
<td>Somewhat committed</td>
<td>23.1</td>
<td>17.0</td>
<td>14.8</td>
</tr>
<tr>
<td>Can’t say either way</td>
<td>0.4</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Less committed</td>
<td>1.7</td>
<td>7.4</td>
<td>5.7</td>
</tr>
<tr>
<td>Hardly or not at all committed</td>
<td>0.1</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>No answer</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>

Know and have in mind how to respond to potential problems

<table>
<thead>
<tr>
<th></th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6.6</td>
<td>4.7</td>
<td>6.0</td>
</tr>
<tr>
<td>Strongly committed</td>
<td>28.5</td>
<td>32.7</td>
<td>31.2</td>
</tr>
<tr>
<td>Somewhat committed</td>
<td>35.8</td>
<td>34.2</td>
<td>31.9</td>
</tr>
<tr>
<td>Can’t say either way</td>
<td>26.6</td>
<td>25.6</td>
<td>23.8</td>
</tr>
<tr>
<td>Less committed</td>
<td>8.6</td>
<td>7.8</td>
<td>6.9</td>
</tr>
<tr>
<td>Hardly or not at all committed</td>
<td>0.4</td>
<td>0.2</td>
<td>0.2</td>
</tr>
<tr>
<td>No answer</td>
<td>0.2</td>
<td>0.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>

Notify businesses of any problem with products/services

<table>
<thead>
<tr>
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<th>FY 2013</th>
<th>FY 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>10.4</td>
<td>10.4</td>
<td>12.6</td>
</tr>
<tr>
<td>Strongly committed</td>
<td>36.1</td>
<td>46.4</td>
<td>50.9</td>
</tr>
<tr>
<td>Somewhat committed</td>
<td>35.2</td>
<td>34.2</td>
<td>38.3</td>
</tr>
<tr>
<td>Can’t say either way</td>
<td>29.4</td>
<td>25.6</td>
<td>26.5</td>
</tr>
<tr>
<td>Less committed</td>
<td>8.1</td>
<td>8.5</td>
<td>7.7</td>
</tr>
<tr>
<td>Hardly or not at all committed</td>
<td>0.5</td>
<td>0.2</td>
<td>0.3</td>
</tr>
<tr>
<td>No answer</td>
<td>0.5</td>
<td>0.0</td>
<td>0.0</td>
</tr>
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</table>

Choose eco-friendly products/services

<table>
<thead>
<tr>
<th></th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>7.4</td>
<td>8.8</td>
<td>10.7</td>
</tr>
<tr>
<td>Strongly committed</td>
<td>45.5</td>
<td>54.1</td>
<td>43.4</td>
</tr>
<tr>
<td>Somewhat committed</td>
<td>38.1</td>
<td>39.1</td>
<td>29.8</td>
</tr>
<tr>
<td>Can’t say either way</td>
<td>34.3</td>
<td>32.4</td>
<td>14.6</td>
</tr>
<tr>
<td>Less committed</td>
<td>5.1</td>
<td>5.0</td>
<td>4.5</td>
</tr>
<tr>
<td>Hardly or not at all committed</td>
<td>0.2</td>
<td>0.2</td>
<td>0.2</td>
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<tr>
<td>No answer</td>
<td>0.2</td>
<td>0.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>

2. Answers to the question, “How much are you committed to the following activities as a consumer?”
3. The survey was responded by 6,690 people in FY2012, 6,528 in FY2013, and 6,449 in FY2014.
4. Numbers do not always add up due to rounding.
Consumers appreciate businesses providing safe products/services but see lack of communication with consumers

- Many consumers (65.5%) appreciate businesses’ activities to provide safe products/services.
- By contrast, consumers are less satisfied in some areas, with about 30% appreciating responses and information provided by businesses and about 10% approving of businesses’ communication with consumers, including acceptance of consumer voices.

Figure 2-2-13 Types of consumer-related activities that consumers think are eagerly conducted by businesses

2. Answers to the question, “Which of the following consumer-related activities do you think businesses (companies) are eagerly conducting in general?” (multiple answers accepted).
Section 2 Consumers’ behavior and attitude (3)

About half the consumers prefer not to receive door-to-door solicitation or telemarketing unless they request

- About 96% of consumers do not want to receive door-to-door solicitation or telemarketing at all.
- Those consumers who prefer that door-to-door solicitation should be prohibited in principle and provided only when requested accounted for 51.3%. The comparable figure for telemarketing was 57.2%.

Figure 2-2-6-(1) Perceptions of door-to-door solicitation and telemarketing

Figure 2-2-6-(2) Consumers’ attitude toward door-to-door solicitation and telemarketing

2. Answers to the questions, "Do you want to receive door-to-door solicitation in the future?" and "Do you want to receive telemarketing calls in the future?" 3. Numbers do not always add up due to rounding.

(1) What consumers want about door-to-door solicitation (%)

<table>
<thead>
<tr>
<th>Option</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Want it to be prohibited in principle and allowed only when consumers request visits</td>
<td>51.3</td>
</tr>
<tr>
<td>b) Want it to be prohibited in principle and allowed only for businesses from which consumers have purchased in the past at stores or through door-to-door sales and other</td>
<td>2.4</td>
</tr>
<tr>
<td>c) Want it to be prohibited in principle and allowed only for businesses that make telephone calls to consumers in advance to ask for permission to visit and make appointments</td>
<td>7.3</td>
</tr>
<tr>
<td>d) Want it to be prohibited in principle and allowed only for conditions described in a) and b)</td>
<td>2.1</td>
</tr>
<tr>
<td>e) Want it to be prohibited in principle and allowed only on conditions described in a), b), and c)</td>
<td>2.9</td>
</tr>
<tr>
<td>f) Want it to be prohibited in principle and allowed only on conditions described in a), b), and c)</td>
<td>2.2</td>
</tr>
<tr>
<td>g) Want it to be prohibited in principle and allowed exceptionally for households posting stickers showing that they accept door-to-door solicitation</td>
<td>4.5</td>
</tr>
<tr>
<td>h) Want it to be allowed in principle but prohibited for households posting stickers showing that they do not want door-to-door sales</td>
<td>9.9</td>
</tr>
<tr>
<td>i) Others</td>
<td>1.5</td>
</tr>
<tr>
<td>j) Want nothing in particular</td>
<td>16.8</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
</tr>
</tbody>
</table>

(2) What consumers want about telemarketing (%)

<table>
<thead>
<tr>
<th>Option</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Want it to be prohibited in principle and allowed only when consumers request it</td>
<td>57.2</td>
</tr>
<tr>
<td>b) Want it to be prohibited in principle and allowed only for businesses from which consumers have purchased in the past at stores or through door-to-door sales and other</td>
<td>3.4</td>
</tr>
<tr>
<td>c) Want it to be prohibited in principle and allowed only on conditions described in a) and b)</td>
<td>4.3</td>
</tr>
<tr>
<td>d) Want it to be prohibited in principle and allowed exceptionally for people who have expressed the willingness to accept telemarketing</td>
<td>6.5</td>
</tr>
<tr>
<td>e) Want it to be allowed in principle but prohibited for people who have expressed unwillingness to accept telemarketing</td>
<td>12.0</td>
</tr>
<tr>
<td>f) Others</td>
<td>1.5</td>
</tr>
<tr>
<td>g) Want nothing in particular</td>
<td>15.2</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
</tr>
</tbody>
</table>
Section 2 Consumers’ behavior and attitude (4)

About 10% of consumers have experienced consumer harm and problems

- Consumers who said they had experienced consumer harm and problems with products or services purchased in the past year accounted for 10.6%, up from 8.0% in the previous fiscal year.

<table>
<thead>
<tr>
<th>Experience of consumer harm and problems associated with purchased products/services</th>
<th>FY2013</th>
<th>FY2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Had safety or health problems (e.g., injury, illness)</td>
<td>0.5%</td>
<td>1.3%</td>
</tr>
<tr>
<td>Found product functionality/quality or service quality much poorer than expected</td>
<td>6.1%</td>
<td>7.9%</td>
</tr>
<tr>
<td>Was charged far more than expected</td>
<td>0.8%</td>
<td>2.4%</td>
</tr>
<tr>
<td>Found actual products/services markedly different from what had been advertised or represented</td>
<td>2.5%</td>
<td>4.9%</td>
</tr>
<tr>
<td>Concluded a contract/purchase as a result of an unfaithful sales method or pitch</td>
<td>0.4%</td>
<td>1.4%</td>
</tr>
<tr>
<td>Suffered damage from contract/cancellation problems</td>
<td>0.4%</td>
<td>1.1%</td>
</tr>
<tr>
<td>Made (or promised) payments to businesses as a result of fraud</td>
<td>0.2%</td>
<td>0.3%</td>
</tr>
<tr>
<td>Experienced other consumer harm</td>
<td>0.7%</td>
<td>1.6%</td>
</tr>
<tr>
<td>Experienced any of the above</td>
<td>8.0%</td>
<td>10.6%</td>
</tr>
</tbody>
</table>

(Notes) 1. Consumer Affairs Agency, “Basic Survey on Consumer Life.” The percentage of valid responses was 64.5% in the FY 2014 survey and 65.3% in the FY 2013 survey.
2. Answers to the question, “Regarding products and services you have purchased in the past year, have you experienced any of the following in the past year?”
The percentage of consumers consulting or reporting to public consultation offices slightly increased

- Among consumers who have experienced harm or problems, about 50% consulted or reported to someone or some organization.
- When asked whom they consulted or reported to, over 40% said it was the manufacturer or provider of the product/service, and about 30% cited the distributor or solicitor of the product/service.
- Only 7% consulted or reported to public (e.g., municipal) consumer consultation offices (accounting for around 2-3% of those who have experienced harm or problem).

Figure 2-2-9 Parties to whom consumers consulted or reported harm or problems

2. Answers to a question asking whom they consulted. The question was asked to those who answered that they “consulted or reported to someone or some organization” about the harm or problems they had experienced (multiple answers accepted). In the FY 2013 survey, those who were asked the question about whom they consulted were those who answered that they “consulted” (multiple answers accepted).
Public recognition of the CAA has generally improved

- Public recognition of the CAA’s activities has improved from two years ago in all categories, including “establishing rules on food labeling,” “regulating false labeling, deceptive advertising, and misleading representations of products/services.”
- The combined percentage of consumers who “do not know the CAA” and those who “know the CAA by the name but do not know the above activities” decreased from 44.8% to 32.5% in two years.

2. Answers to the question, “Do you know that the Consumer Affairs Agency conducts the following activities?” (multiple answers accepted).
3. The percentage of no answer was 3.3% in FY 2012, 1.1% in FY 2013, and 0.9% in FY 2014. The percentage of “Others” remained at 0.2% in FY 2012, FY 2013, and FY 2014.
5. Regarding the item with an asterisk (*), the actual option provided in the survey was “Know the CAA by the name but do not know the above activities.”
6. The vertical scale for “Public recognition of the CAA” is inverted.
The food loss problem is recognized by about 70% of consumers

- The annual “food loss” which means food waste discarded even in edible conditions amounts to 5 to 8 million tons in Japan, which is equivalent to annual rice production in Japan. Food loss has become a major problem from the viewpoint of resource use and environmental conservation. In the survey in FY 2014, 68.7% of consumers said they recognized the food loss problem.
- Since FY 2012, the Consumer Affairs Agency (CAA) has been conducting activities to reduce food loss in collaboration with related ministries and agencies.
- In FY 2014, the CAA posted recipes on a recipe website to help consumers resolve food-related problems familiar to them, such as food loss and food allergy, while enjoying meal.
A certain percentage of people are still concerned about radioactive material and avoid food from specific regions

- A certain percentage of consumers still hesitate to purchase food produced in Fukushima Prefecture. However, fewer residents in Fukushima have hesitation in buying local food.
- The Consumer Affairs Agency, in collaboration with related ministries and agencies and local governments, strives to provide accurate information by conducting risk communication (information/opinion exchange gatherings), publishing explanatory booklets, and developing communicators (about 3,400 as of end-March 2014).
  * Communicators refer to people who are trained to deliver accurate information to local communities.

**Figure 2-2-20** Producing regions of food that people concerned about radioactive material hesitate to buy from

2. The number of answers to the question about “producing regions of food you hesitate to buy from” given by those who answered that they want to “buy food not contaminated with radioactive material” as a percentage of the total respondents (multiple answers accepted); for the graph shown to the right, the number of those who hesitate as a percentage of the total respondents for each region of residence.
Chapter 3  Trends in consumer issues
Section 1  Overview of consumer issues (1)

The number of consumer affairs consultations increased in FY 2014 for the second consecutive year

- The number of consumer affairs consultations peaked in FY 2004, when the total reached 1.92 million due to rampant fictitious bill cases, and began to decline in FY 2005.
- The number increased for the first time in nine years in FY 2013 and rose further in FY 2014.
- This rise over the year is attributable to the increase in problems related to information and communications technology (ICT) as consumers more often deal with ICT products/services, with even older generations adopting ICT. Another presumable contributing factor is a consistently large number of consultations by the elderly.

Figure 3-1-1  Changes in the number of consumer affairs consultations

(Cases in 10,000s)

<table>
<thead>
<tr>
<th>Year</th>
<th>Cases involving fictitious bills</th>
</tr>
</thead>
<tbody>
<tr>
<td>1984</td>
<td>4.9</td>
</tr>
<tr>
<td>1985</td>
<td>8.5</td>
</tr>
<tr>
<td>1986</td>
<td>13.3</td>
</tr>
<tr>
<td>1987</td>
<td>15.2</td>
</tr>
<tr>
<td>1988</td>
<td>16.6</td>
</tr>
<tr>
<td>1989</td>
<td>16.5</td>
</tr>
<tr>
<td>1990</td>
<td>17.1</td>
</tr>
<tr>
<td>1991</td>
<td>19.1</td>
</tr>
<tr>
<td>1992</td>
<td>21.8</td>
</tr>
<tr>
<td>1993</td>
<td>23.4</td>
</tr>
<tr>
<td>1994</td>
<td>35.1</td>
</tr>
<tr>
<td>1995</td>
<td>45.1</td>
</tr>
<tr>
<td>1996</td>
<td>51.5</td>
</tr>
<tr>
<td>1997</td>
<td>54.0</td>
</tr>
<tr>
<td>1998</td>
<td>65.6</td>
</tr>
<tr>
<td>1999</td>
<td>87.4</td>
</tr>
<tr>
<td>2000</td>
<td>105.1</td>
</tr>
<tr>
<td>2001</td>
<td>110.8</td>
</tr>
<tr>
<td>2002</td>
<td>130.4</td>
</tr>
<tr>
<td>2003</td>
<td>151.0</td>
</tr>
<tr>
<td>2004</td>
<td>192.0</td>
</tr>
<tr>
<td>2005</td>
<td>174.0</td>
</tr>
<tr>
<td>2006</td>
<td>151.0</td>
</tr>
<tr>
<td>2007</td>
<td>130.4</td>
</tr>
<tr>
<td>2008</td>
<td>110.8</td>
</tr>
<tr>
<td>2009</td>
<td>105.1</td>
</tr>
<tr>
<td>2010</td>
<td>94.4</td>
</tr>
<tr>
<td>2011</td>
<td>94.4</td>
</tr>
<tr>
<td>2012</td>
<td>94.4</td>
</tr>
<tr>
<td>2013</td>
<td>94.4</td>
</tr>
<tr>
<td>2014</td>
<td>94.4</td>
</tr>
</tbody>
</table>

(Notes) 1. Consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015).
3. “Fictitious bills” refer to payment requests received from unfamiliar entities. Data collection in this category started in FY 2000.
Section 1 Overview of consumer issues (2)

Consultations on ICT issues are by far the largest in number

- The breakdown of the FY 2014 consultations by product/service type shows that “transport & communications services” was by far the largest category in the number of consultations, with about 270,000 consultations received. Information and communications technology (ICT) issues (communications services) accounted for about 90% of the category. However, payments made per case were small, at ¥26,000.
- “Financial & insurance services” was the second largest category in the number of consultations.
Section 1 Overview of consumer issues (3)

Average value involved per consultation is declining

- The average contract/purchase value (amount billed or purchased/contracted) per consultation case has been declining these years in all groups: total, the elderly (65 years & over), and under 65 years.
- The average payments made (amount actually paid) are falling as well.
- The decline in value is attributable to the increase in Internet-related consultations, which involve relatively small amounts on average. The fact that more of the consumers seeking consultation are doing so in early stages of problems is probably another factor.

Figure 3-1-3 Changes in average contract/purchase value and average payments made

(Note) Consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015).
ICT-related consultations are common in a wide range of age groups

- Many of consumer affairs consultations in FY 2014 were related to ICT, such as digital content, Internet connection lines, mobile phone and other communications services, in a wide range of age groups.
- The largest age group was in the 40s for both men (74,000 cases) and women (77,000 cases). Other major groups were men in their 60s and women in their 70s, each with more than 70,000 cases.
- Financial products accounted for a large part of consultations for women in their 60s and 70s.

(Notes) 1. Consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015).
2. “Other goods” refer to the sum of the following product categories (large classifications): utility-related goods; health-care & sanitary goods; vehicle; land, building & facilities; and other goods. “Other goods-related services” refer to the sum of dry cleaning; work, construction & processing; repair & maintenance; and management & storage. “Miscellaneous services” refer to the sum of service in general; educational services; education & leisure services; piecework, side work & pyramid schemes; and other administrative services.
3. Consultations on ICT fall under the category of “transport & communications services” in PIO-NET.
Consumer affairs consultations for the elderly are increasing

- The number of consumer affairs consultations for the elderly aged 65 years and over in FY 2014 was slightly below the level in FY 2013 but posted an increase by 52.7% from the FY 2009 level.
- This increase is well above the growth in the elderly population (13.8%).
- In FY 2014, the number of consultations for the elderly except for those on the negative option marketing of health food was greater than that in FY 2013.

### Figure 3-1-8 The number of consultations for the elderly

![Figure 3-1-8 The number of consultations for the elderly](chart1.png)

- Consulted by the contracting person
- Consulted by someone else
- No answer (No input)

### Figure 3-1-9 Changes in the number of consumer affairs consultations and Japan's population

![Figure 3-1-9 Changes in the number of consumer affairs consultations and Japan's population](chart2.png)

(Note 1: Data from consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015) and "the result of Population Estimates" by the Ministry of Internal Affairs and Communications.
2. Indices when FY 2000 = 100.)
The number of consultations for elderly people with dementia, etc. is on the rise, suggesting the need to closely watch over such people.

- The number of consultations for elderly people with dementia, etc. who need to be watched over is increasing.
- A major part, or about 40%, of these consultations are pertinent to the door-to-door sales of newspaper subscription, repairs, work, and so forth.
- Most of the consultations for elderly people with dementia, etc. are received from people other than the contracting person.
- Actions should be taken to watch more closely over elderly people with dementia, etc. because they are assumed experiencing problems left without consulting local consumer affairs centers.

### Figure 3-1-12 The number of consultations for elderly people with dementia, etc.

<table>
<thead>
<tr>
<th>Year (FY)</th>
<th>Consulted by the contracting person</th>
<th>Consulted by someone else</th>
<th>No answer (No Input)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>1,413</td>
<td>8,289</td>
<td>6,094</td>
</tr>
<tr>
<td>2006</td>
<td>1,172</td>
<td>8,477</td>
<td>6,197</td>
</tr>
<tr>
<td>2007</td>
<td>1,110</td>
<td>6,657</td>
<td>5,297</td>
</tr>
<tr>
<td>2008</td>
<td>976</td>
<td>6,432</td>
<td>4,972</td>
</tr>
<tr>
<td>2009</td>
<td>6,065</td>
<td>5,419</td>
<td>3,571</td>
</tr>
<tr>
<td>2010</td>
<td>7,093</td>
<td>5,953</td>
<td>4,391</td>
</tr>
<tr>
<td>2011</td>
<td>8,664</td>
<td>8,147</td>
<td>5,325</td>
</tr>
<tr>
<td>2012</td>
<td>11,146</td>
<td>7,891</td>
<td>5,684</td>
</tr>
<tr>
<td>2013</td>
<td>11,146</td>
<td>7,891</td>
<td>5,684</td>
</tr>
<tr>
<td>2014</td>
<td>11,146</td>
<td>7,891</td>
<td>5,684</td>
</tr>
</tbody>
</table>

(Notes) 1. Consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015).
2. Consultations on “contracts by persons with poor judgement” in which the contracting person is aged 65 years or over.

### Figure 3-1-13 Breakdown of consultations for elderly people with dementia, etc. by sales/purchase method (FY 2014)

- **Top product/service types for door-to-door sales**
  - Rank 1: Newspaper, 744 cases
  - Rank 2: Repair service, 148 cases
  - Rank 3: Roof work, 136 cases
  - Rank 4: Water purifier, 111 cases
  - Rank 5: Futon, 109 cases

- **Multilevel marketing**
  - Cases: 0.9

- **Negative-option marketing**
  - Cases: 0.8

- **Door-to-door purchase**
  - Cases: 1.4

- **Unknown or unrelated**
  - Cases: 13.4

(Notes) 1. Consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015).
2. Consultations on “contracts by persons with poor judgement” in which the contracting person is aged 65 years or over.
“Mail order sales” account for an increasing part of consultations

- The breakdown of consultations by sales/purchase method indicates that the percentage of “purchase at stores” is declining, while that of “mail order sales” is increasing, accounting for 33.6% of the total in FY 2014. This “mail order sales” accounts for over 40% among consumers aged under 65 years.
- Among consultations by the elderly, “door-to-door sales” and “telemarketing sales” are still dominant, accounting for one-third of the total together.

Figure 3-1-15 Changes in the breakdown of consultations by sales/purchase method

(Note) 1. Consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015).
2. “Door-to-door purchase” was added as a new category on February 21, 2013 due to a revision to the Act on Specified Commercial Transactions.
3. The scope of “online stores” is wider than what are commonly called online stores and includes website access charges (typically for adult websites) and digital content such as online games. The fact that online stores mentioned in the context of consumer affairs consultation information include these items should be kept in mind when data are examined.
4. Numbers do not always add up due to rounding.
Section 1  Overview of consumer issues (8)

The growth of consultations on “online stores” is driving the increase in total consultations

- In recent years, consultations on sales/purchase methods other than “online stores” are decreasing in general, while consultations on “online stores” are increasing, driving the growth of the total number of consultations.
- One presumable factor of the increase in consultations on “online stores” is that more people are using smartphones as these devices become more widely available.

Figure 3-1-16 Contribution to the increase in the number of consultations, by sales/purchase method

(Notes) 1. Consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015).
2. “Door-to-door purchase” was added as a new category on February 21, 2013 due to a revision to the Act on Specified Commercial Transactions.
3. The scope of “online stores” is wider than what are commonly called online stores and includes website access charges (typically for adult websites) and digital content such as online games. The fact that online stores mentioned in the context of consumer affairs consultation information include these items should be kept in mind when data is examined.
Consultations on smartphone-related services significantly increased

- FY 2014 saw a significant increase in the number of consultations on digital content available via smartphones, rather than those on smartphones.

Figure 3-1-17: The number of consultations on smartphone and their usage

(Note) 1. Consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015).
2. Consultations on smartphones concern, for example, access charges and defects in devices. Consultations on “smartphone-related services” specifically concern digital content accessed via smartphones.
Consultations on aesthetic medical services increased

- The number of consultations on aesthetic medical services, such as medical hair removal, fat suction, and double eyelid surgery, is increasing.
- Problems observed in consulted cases are often related to solicitation practices, such as stressing discounts or urging customers to decide on the spot, and to advertisement cases in which advertised treatments are unavailable.
- With some consultations reporting damage, such as skin injuries and burns, aesthetic medical services are causing problems involving multiple aspects of consumer issues.
- Aesthetics medical services are a field where a wide information gap exists between service providers and recipients.

![Figure 3-1-25](image)

(Note) Consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015).
Section 1 Overview of consumer issues (11)

Losses from harm and problems to consumers amounted to an estimated 6.7 trillion in 2014

- The losses from harm and problems to consumers (total expenditures on products and services associated with consumer harm and problems) in 2014 amounted to an estimated 6.7 trillion.
- This amount expresses how much economic losses consumers suffered due to recognized harm and problems, as measured by the value of products/services involved.

Figure 3-1-29 Losses from harm and problems to consumer

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract/purchase value</td>
<td>Approx. ¥7.8 tn.</td>
<td>Approx. ¥6.5 tn.</td>
</tr>
<tr>
<td>Payment made (including credit granted)*</td>
<td>Approx. ¥6.7 tn.</td>
<td>Approx. ¥6.0 tn.</td>
</tr>
<tr>
<td>Payment made</td>
<td>Approx. ¥5.5 tn.</td>
<td>Approx. ¥5.4 tn.</td>
</tr>
</tbody>
</table>

* "Payment made (including credit granted)" is calculated by adding future payments, such as the amount charged on credit cards, to the payments already made.

Notes:
1. The number of cases is estimated from the results of the Basic Survey on Consumer Life with respect to the answers to the following question: "Regarding products and services you have purchased in the past year, have you experienced any of the following in the past year?" The options given were (1) Had safety or health problems (e.g., injury, illness); (2) Found product functionality/quality or service quality much poorer than expected; (3) Was charged far more than expected; (4) Found actual products/services markedly different from what had been advertised or represented; (5) Concluded a contract/purchase as a result of an unfaithful sales method or pitch; (6) Suffered damage from contract/cancellation problems; (7) Made (or promised) payments to businesses as a result of fraud; and (8) Experienced other consumer harm.
2. Average payments made are calculated from consumer affairs consultation information for 2014 registered with PIO-NET (registration by January 31, 2015).
3. Total expenditures on products and services associated with consumer harm and problems.
4. The above amounts are estimates made through the following procedure: "the probability of occurrence" of consumer harm and problems was obtained from "Basic Survey on Consumer Life", and then it was multiplied by the average payment per case calculated from PIO-NET information. The estimates also include corrections, such as additions based on the assumption that there are some latent cases experienced by the elderly.
5. The survey on which these estimates are based relies on consumers' perceptions. It should therefore be noted that the perception of consumer harm and problems varies between respondents and the results may include errors due to such nature of the awareness survey.
Almost the same number of serious injuries as recorded in the previous year were reported to the CAA under Consumer Safety Act

- Under the Consumer Safety Act, 12,078 cases of information on consumer accidents were reported to the CAA in FY 2014. This represents a decline by 4.3% from 12,627 cases in the previous fiscal year.
- These cases include 2,906 “life or health-related accidents” (a 17.3% decline from 3,511 cases in FY 2013) and 9,172 “property-related cases” (a 0.6% increase from 9,116 in FY 2013).
- The number of “serious injuries” (due to fires, falls, toppling, etc.) was 1,248, remaining flat from the previous fiscal year.

Figure 3–1–26 Consumer accident information reported to the CAA

(Note) The number of consumer accidents reported to the Consumer Affairs Agency since April 1, 2010 through March 31, 2015 under the Consumer Safety Act.
Consultations on damage/risk information are increasing

- Among consumer affairs consultations in FY 2014, 11,398 cases were classified as “damage information”, and 5,017 cases as “risk information”. The numbers have been on the rise for the past decade (note that FY 2013 experienced two major incidents: white blotches on the skin of users of cosmetics and frozen food tainted with pesticide).
Section 2 Life or health-related accident information reported to Consumer Affairs Agency (2)

Children can be seriously injured by swallowing button batteries accidentally, etc.

- Children’s accidents are caused by various products recently becoming popular in our daily lives, such as button battery being swallowed accidentally or laundry detergent capsules being ingested or contacted with eyes.
- If button batteries were swallowed by accident, there are high risks of serious symptoms. Therefore, safer product development would be requested, such as to have child resistant structure so that children could not take out the batteries themselves.
- There are other accidents such as children nearly drowned in the bath tub while using neck float rings and children injured while riding kick scooter.
Consultations on telecommunications services increased further

- Consultations on telecommunications services, such as mobile phones and Internet connection lines, increased further in FY 2014.
- In particular, the growth of consultations on Internet connection lines was remarkable.

Figure 3-3-1  The number of consultations on telecommunications services

(Notes) 1. Consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015).
2. Telecommunications services consist of "mobile phone services," "mobile data communications," "Internet connection lines," and "other online communications services."
A surge in problems in which Internet providers were changed by remote control

- A type of problem on which consultations surged in FY 2014 was computers remotely controlled by businesses after users change Internet provider contracts.
- In typical cases, consumers receive telemarketing calls and are solicited to change Internet provider contracts to cut their subscription charges. After consumers operate their computers as told by the telemarketing representatives, the computers are remotely controlled by these operators. Consequently, in many consultation cases, consumers found themselves having signed up with another Internet provider, resulting in double-contracting or higher subscription charges.

Figure 3-3-2 The number of consultations on “problems in which Internet providers were changed by remote control”

(Note) Consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015).
Problems associated with adult websites increased

- In FY 2014, consultations on adult websites were received from a wide range of age groups and were well above the FY 2013 level in number, reaching about 110,000 cases.
- In typical consultations, consumers asked about what to do when they were registered as members while attempting to access a free adult website and were asked to pay about ¥100,000 membership fees.

**Figure 3-3-3-(1)**
The number of consultations on adult websites (total)

**Figure 3-3-4**
Consultations on adult websites (FY 2014)

(Note) 1. Consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015).
2. Except for consultations from organizations and persons with unknown gender.
Payments are becoming higher in problems associated with adult websites

- The increase in the number of consultations on adult websites is mainly attributable to a wider opportunity to access such websites due to the spread of smartphones even to older generations.
- The average value of payment calculated from consultation cases in which payments have been made has become higher.
- A new tactic has emerged in which prepaid cards are exploited as the payment method.

Figure 3-3-3-(2) The number of consultations on adult websites (Smartphone)

Figure 3-3-5 Consultations on adult websites with payments already made and the value of payments

(Note) Consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015).
New tactics exploiting cashless payment methods, especially prepaid cards, has emerged

- Consumers are more frequently using cashless payments, such as payment by credit cards and electronic money (typically prepaid cards), which are increasingly becoming common for their ability to allow consumers to pay by cards or smartphones instead of carrying cash.
- Along with this trend, new fraudulent tactics have emerged recently, in which dishonest businesses lead consumers to purchase prepaid cards and defraud them of the value of the cards (face value).

![Figure 3-3-7-(1)](Sales of prepaid card (visualization))
(Note) Publication material by the National Consumer Affairs Center of Japan on March 26, 2015.

![Figure 3-3-7-(2)](Tactics exploiting prepaid cards)
(Note) Publication material by the National Consumer Affairs Center of Japan on March 26, 2015.
Section 3  Recent trends in consumer issues (6)

SNS-related consultations increased even among middle-aged and elderly consumers

- Consumer affairs consultations involving social networking services (SNS) to any extent are growing. The number in FY 2014 was 46% more than that in FY 2013.
- Due to the widespread use of SNS, associated consultations have increased in a wide range of age groups. From FY 2009 to FY 2014, the number of SNS-related consultations increased as much as 6.2-fold among those in their 40s to 60s, while the figure grew 2.1-fold among those in their 20s and younger.
- The subject of consultation varied widely, such as “A person I met via SNS guided me to a dating website,” “I have signed up to purchase health food regularly before I knew, after I tried it for free from an advertisement on SNS,” and “A friend on SNS turned out to be a stranger using stolen identity.”

**Figure 3-3-9 Breakdown of SNS-related consultations by age group**

(Note) Consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015).
Consultations on fraudulent tactics used on the elderly are increasing in number. Although in fewer cases, payments have been made at the time of consultation, the average payment made per consultation case remains high.

**Figure 3-3-10** The number of consultations on fraudulent tactics used on the elderly and average payments made per consultation case reporting payments

- Total consultations (left scale)
- Number of consultations reporting payments (left scale)
- Average payments made per consultation case reporting payments (right scale)

(Note) Consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015).
A growing part of theatrical solicitation problems involve the elderly

- The number of consultations on theatrical solicitation problems remains large, although it declined in the latter half of FY 2014. A growing part of them involve the elderly.
- Many consultations are pertaining to financial products such as fund-type investment products and public & corporate bonds.
- A notable trend in FY 2014 was the increase in the number of consultations on theatrical solicitation not involving financial products. For example, some consumers were offered to delete leaked personal information or to recover losses from past investment frauds.

* “Theatrical solicitation” is a tactic in which multiple businesses play different roles, such as sending brochures and making solicitation calls, to convince consumers that they can benefit from proposed offers and to make them decide to purchase financial products or other things of uncertain nature.

**Figure 3-3-11** The number of consultations on theatrical solicitation and the share of the elderly

(Note) Consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015).
Problems arising from fraudulent offers to delete leaked personal information increased

- In a fraudulent tactic that rapidly spread in FY 2014, consumers are typically offered to delete their leaked personal information on the telephone from a person claiming to represent a public body and are eventually defrauded of money.
- There were also some tactics that took advantage of an incident in July 2014 in which a company leaked enormous amounts of personal information it had held.
- Many of these cases involve elderly women.

**Figure 3-3-12** The number of consultations on “fraudulent offers to delete leaked personal information”

(Note) Consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015).
Consultations on food adulteration temporarily increased

- From the end of 2014 to early 2015, the media reported a series of food adulteration cases involving instant noodles, food served at fast food restaurants, and retort food.
- Along with this, consultations to local consumer affairs centers on food adulteration surged in January 2015.

(1) Yearly change in the number of consultations

(2) Monthly change in the number of consultations (FY 2014)

(Note) Consumer affairs consultation information registered with PIO-NET (registration by April 27, 2015).
Implementing consumer policy, including the establishment of the Third Basic Consumer Plan

- Japan’s framework for consumer administration has been expanded since the establishment of the Consumer Affairs Agency. Under the framework, the Consumer Affairs Agency and related ministries and agencies have been implementing various consumer policies.
- Since individual policies are explained in Part 2, Chapter 4 of Part 1 summarizes the recent major development of consumer policy, mainly in FY 2014.

- **Establishment of the Third Basic Consumer Plan**
  - The Cabinet approved the Third Basic Consumer Plan, which draws up the vision of Japan’s consumer policy for the next five years.
    (Established on March 24, 2015 for implementation in FYs 2015-2019)
- **Measures to prevent misleading representations**
  - Misrepresentation of food in menus was discovered at one place after another among hotels and restaurants in FY 2013.
  - Following a series of misrepresentation problems, the Act against Unjustifiable Premiums and Misleading Representations was amended to add requirements for businesses, such as the establishment of compliance systems (promulgated in June 2014 and implemented in December).
  - The Act against Unjustifiable Premiums and Misleading Representations was amended again to introduce a surcharge system (promulgated in November 2014).
- **Review of the food labeling system**
  - Integration of food labeling into a single system under the Food Labeling Act (implemented in April 2015)
  - Launch of a new function labeling system for food (Food with Function Claims) (implemented in April 2015).
- **Collection and dissemination of information on child accidents**
  - Activities to prevent child accidents (increasing recognition of the Consumer Product Safety Act, awareness raising, etc.)
- **Causal investigation of accidents by the Consumer Safety Investigation Commission**
  - Release of three reports (FY 2014)
- **Promotion of consumer education**
  - Finalization of discussion by the Consumer Education Promotion Council (March 2015)
    (Consumer Citizenship Development Subcommittee, Information Utilization Enhancement Subcommittee, and Regional Collaboration Promotion Subcommittee)
- **Utility rate policies**
  - Opinion exchange meetings to discuss applications for approval of electricity rate increases
- **Response to the consumption tax hike**
  - Surveys of trends in the prices of daily necessities (price monitoring every other month)
  - Measures implemented to ensure that the tax increase is appropriately passed along in accordance with the Act on Special Measures Concerning Proper Transfer of Consumption Tax (implemented in October 2013)
- **Risk communication**
  - Risk communication aimed at disseminating the understanding of food and radiation
  - Information provision and risk communication on radioactive material in food, and awareness surveys (twice a year)
- **Enhancement and reinforcement of local consumer administration**
  - Amendment of the Consumer Safety Act (promulgated in June 2014), construction of regional networks for watching over elderly consumers, and establishment of consumer affairs consultant qualification system (not yet implemented)
Appointing mascot characters as consumer education ambassadors

- The Consumer Affairs Agency established a system to appoint mascot characters officially approved by local governments as consumer education ambassadors in order to promote consumer education at a local level.
- The purpose is to seek cooperation of mascot characters popular among local people in promoting consumer education and disseminating the concept of consumer citizenship.
- Seven ambassadors were appointed in FY 2014, and nine more since the beginning of FY 2015.

* Photographs show mascots appointed in FY 2014. The number appointed in FY 2015 is as of May 2015.
Section 3 Enhancing and strengthening local consumer administration (2)

Every municipality has its own consumer affairs consultation office

- Since the establishment of the Consumer Affairs Agency, local consumer administration has been enhanced and strengthened in terms of both legislation (Consumer Safety Act) and budget (Local Consumer Administration Vitalization Funds, etc.).
- As of March 2015, every local government has its own consumer affairs consultation office.
- There are 763 local consumer affairs centers across Japan. Although the overall structure has been strengthened, establishing local consumer affairs centers is less common mainly among small municipalities.

![Figure 4-3-8-(2) Achievement of the local consumer administration enhancement campaign (promotion of the establishment of local consumer affairs centers)](image)

(Note) The Consumer Safety Act specifies that local consumer affairs centers should be facilities that (1) are open at least four days a week; (2) have consumer affairs consultants and other staff assigned; and (3) have electronic information processing systems and other equipment (PIO-NET).
Chapter 1  Respecting consumer rights and supporting consumer independence
Section 1  Ensuring consumers safety and reliability
   1.  Structure for quick collection and provision of accurate information
   2.  Analysis and cause investigation of accidents
   3.  Ensuring food safety
   4.  Other policies to ensure consumers safety and reliability
Section 2  Giving consumers opportunity to make a voluntary and rational choice
   1.  Policies to ensure legitimate transactions with consumers
   2.  Policies to ensure appropriate labeling, standards and measurement
   3.  Policies to promote fair prices and utility rates
Section 3  Fostering consumer awareness campaigns and enhancing consumer education
   1.  Systematic and comprehensive promotion of consumer education
   2.  Promoting and supporting consumer education at school
   3.  Promoting and supporting consumer education in communities
   4.  Awareness raising and information provision for consumers
Section 4  Incorporating consumer opinions into consumer policies and making them transparent
Section 5  Helping consumers and facilitating the resolution of consumer complaints and disputes
   1.  Establishment of a consumer redress system
   2.  Cooperation with institutions engaged in alternative dispute resolution (ADR)

Chapter 2  Cooperating/collaborating with local governments and consumer groups and ensuring/improving effectiveness of consumer policy
Section 1  Supporting and collaborating with local governments
Section 2  Collaborating with consumer groups
Section 3  Facilitating voluntary efforts by businesses and their associations
Section 4  Expanding and enhancing administrative organization

Chapter 3  Adapting to socioeconomic development and other changes in the situation
Section 1  Promoting environmentally conscious consumption behavior and business activities
Section 2  Meeting the development of an advanced information and communication society
Section 3  Addressing the development of internationalization
Section 4  Efforts to help consumers after the Great East Japan Earthquake