

CONSUMER ADVISORY

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Smarter Holiday Shopping *Holiday season shopping tips for consumers*

Do you prefer the thrill of chasing holiday “doorbuster” deals or the solitude of shopping from your screen at home? Whether you’re shopping in town or online, consider these tips before buying:

- **Advertisements:** Understand exactly what the seller is advertising and at what price. Advertisements must disclose all significant limitations and exclusions. For example, ads should state whether quantities are limited, whether the item won’t be available at all locations, and whether a pictured item is not offered at the advertised price. Consider taking the ad with you if you’re shopping at a store, and make sure the cashier charges you the advertised or posted price.
- **Compare items and prices:** Shop for a good price from a seller you know and trust, particularly if you shop online. A promotional price isn’t necessarily the lowest price. If you compare prices for the same item, make sure it’s the same manufacturer and model or item number.
- **Price matching and adjustments:** Some sellers offer to match or beat competitors’ prices for the same item, and may offer a lowest price guarantee (for their own price or competitors’ prices) for a period after the sale. Make sure you understand the policy and its limitations. And some retail stores may limit their price matching to stores within a certain boundary and may not match prices advertised by online sellers.
- **Return policies:** Iowa law does not require sellers to accept returns or offer refunds, but if they won’t accept returns they must disclose it (for example, a seller may say that sales of clearance items are final). Understand the return policies and whether consumers must pay “restocking” fees for returned items.
- **Rain checks:** Rain checks enable consumers to buy items at a later date for the advertised price when the item is out-of-stock during the promotional period. Ask if the seller is willing to issue a rain check for an unavailable item.
- **Warranties:** New merchandise often comes with a manufacturer’s warranty. The retailer may attempt to sell you an extended warranty or service contract. If the retailer’s extended warranty or service contract overlaps with the manufacturer’s warranty, it may not be a good purchase. Also, find out whether your credit card company provides warranty coverage if you use it to make a purchase.
- **Shopping online:** Know who you are dealing with, as an impressive looking website or name doesn’t necessarily mean the seller is reputable. Make sure you know the seller’s physical address and phone number if there’s a problem. Be sure you understand what the seller charges for shipping and handling, and who pays for return shipping charges. Sellers who accept orders online or by phone must ship an item within 30 days of the order, unless the seller clearly discloses a longer wait in advertisements or catalogs. If the merchant cannot meet the 30-day deadline, the merchant must disclose it to the customer and offer the option of a cancellation and full refund.
- **Secure online shopping:** If you are paying online, don’t email personal or financial information, as emailing unencrypted information is not secure. If you are entering personal or financial information into a website, make sure it’s secure. Websites with an “https://” prefix (the “s” stands for secure) are generally safe, though criminals can make fraudulent sites look legitimate and secure when they are not. When you pay, use a credit card because credit cards generally offer consumers better protections in cases of disputes or fraud.
- **Gift cards:** Retail gift cards are sold by merchants, while financial institutions sell gift cards that can be used wherever the brand (such as Visa, MasterCard, American Express, Discover) is accepted. Gift cards cannot expire for at least five years after the card purchase date, or from the last date a consumer added additional funds onto the card. The expiration date must be clearly disclosed on the card. The merchant or institution offering the card cannot charge inactivity fees until the card has not been used for at least a year, and can charge only one fee per month. All fees must be clearly disclosed on the package. Be wary of purchasing gift cards from online auction sites, because the cards may have been used or may be fraudulent.