

Consumer Affairs Pros

There are many groups in Japan that are primarily concerned with protecting the interests of consumers, ranging from those organized by ordinary consumers to associations of specialists. A healthy consumer society requires, though, that the viewpoint of private companies and third parties also be taken into account. Japan Echo introduces two groups working to bridge the gap between corporate and consumer interests.

Companies' attitudes to customer service have changed dramatically over the last ten years," says Akira Takita, chairman of the Association of Consumer Affairs Professionals and manager of the Kikkoman Consumer Center. "This is because consumer confidence in Japan was shaken by a spate of food safety and product-accident incidents around 2000. Today, Japanese companies—from senior management to customer relations representatives—have come to realize that incorporating the viewpoint of their customers in their activities is critical to their survival."

ACAP's membership consists of the customer affairs personnel of private companies. Founded in 1980, the group now has some 900 members working at around 580 companies.

Working Together

"Corporate customer relations officers have two main roles," Takita notes. "First, they must communicate the merits of their company's products and services to consumers, and second, they need to share the concerns expressed by consumers with their colleagues. To provide such personnel with a good understanding of consumer

issues and the necessary communication skills, ACAP arranges such activities as lectures and training sessions led by consumer issues experts."

Highlighting ACAP's cross-sector membership are voluntary study meetings organized by subject, including case studies of how customer inquiries have been handled, risk management approaches, and consumer-related regulations.

"Our study meetings represent a valuable opportunity for people from different sectors to come together and exchange views and information on building consumer relations," Takita says. "Different industries have different approaches and manuals for dealing with customer complaints, for example. Should one apologize right away, or should this be avoided? For problem products, should a replacement be sent, and if so, how many? The meetings are informative precisely because they enable people from different industries to exchange information and debate various issues.

"Companies are now reinforcing their organizations and human resources to deal with consumer affairs, but if an incident occurs that

causes them to lose the confidence of the consumer, getting it back can prove very difficult. Ensuring the safety of products and services is naturally the responsibility of the company that offers them.

"Whether or not individual consumers actually feel assured in using a particular product or service, on the other hand, is more a matter of the heart and mind. Restoring a sense of assurance thus requires efforts not just by individual companies but also by firms working together to provide information that consumers need and building a society in which they feel really confident about products and services. I'm convinced that ACAP's cross-sector activities can help bring this about."

The ACAP webpage is a portal site containing links to the customer relations pages of member



ACAP Chairman Akira Takita, right, and Secretary General Sumiko Ishikawa.

companies organized by sector—food, housing, health, and so on. There are also 16 locations around the country, including the National Consumer Affairs Center and other consumer centers, where permanent ACAP exhibitions are displayed and consumer information from member companies is available.

“In addition to providing information, we’re also giving great importance to consumer education to promote understanding of the efforts being made by companies,” Takita says. “I’ve given many talks at universities on how companies are handling consumer relations and product risk management. And we’re working with universities so that students can earn credits for attending our visiting lectures to encourage more university students to get involved.”

ACAP is also promoting exchange with counterpart Societies of Consumer Affairs Professionals in Business—nonprofit organizations of people working in consumer relations—in countries around the world. SOCAP International is the umbrella organization for these groups, including ACAP, and organizes symposiums where ACAP presents reports of its activities and exchanges consumer-related information with other groups.

“Since 1989 we’ve been particularly actively engaged in regular exchange with the Organization of Consumer Affairs Professionals in Business, a group of customer relations specialists working at Korean companies,” says ACAP Secretary General Sumiko Ishikawa. “Last year, an OCAP fact-finding mission visited Japan and toured the studio and call center of a TV shopping program and the customer service department of a

clothing manufacturer. Exchange meetings were held on how companies in both countries were adopting the ISO 10002 quality management and customer satisfaction guidelines for complaints handling in organizations.

“There is much to learn through such exchange with overseas organizations.”

A Neutral Point of View

“We at the Nippon Association of Consumer Specialists are interested in looking at consumer issues objectively, so we take a neutral position, siding neither with companies nor consumers,” so says NACS Vice-President Takuo Kano. “The issuing of recommendations is one of our activities that most clearly demonstrates this stance. When problems with a product come to light, members of our organization carry out investigations and, depending on those findings, issue statements requesting improvements. If, on the other hand, we find that there has been an overreaction on the part of consumers, we issue public comments to that effect.”

Founded in 1988, the association is the largest group of consumer specialists in Japan with approximately 3,800 members. NACS is made up of people holding qualifications as consumer advisors or consultants. The former are corporate and administrative personnel who have passed an examination administered by the Japan Industrial Association covering a broad range of consumer-affairs-related topics and skills. The test is intended to develop the human resources capable of handling inquiries and complaints from and offering pertinent advice to consumers, as well as of reflecting consumer viewpoints in man-



NACS Vice-President Takuo Kano

agement and government policy.


The latter are mainly government officials who have completed courses offered by the Japan Consumers’ Association to nurture specialists in handling consumer affairs and consumer education.

“Because of our neutral position, we’re able to provide support to consumers for the resolution of disputes arising from door-to-door sales and mail-order shopping without resorting to lawsuits,” says Kano. “Lawsuits are complicated and drawn-out affairs. We at NACS introduce lawyers specializing in consumer disputes and offer impartial arbitration between consumers and companies to reach out-of-court settlements. In 2008, we became the first consumer group to be certified as an Alternative Dispute Resolution organization from the national government.”

NACS is also active in consumer education to prevent people from being caught up in disputes in the first place. “Consumer problems often occur among elderly people, who did not have adequate access to consumer education, highlighting the importance of such instruction,” says Kano. “NACS members also visit high schools to speak with students

there, since they are the ones who will become the next generation of consumers. We use specially developed text and visual educational materials to address such issues as contracts over the Internet and cell

phones and information on financial products like credit cards and insurance. We dispatch members as instructors to around a hundred schools every year, and we've addressed a total of 270,000 students

thus far. We use illustrations and worksheets so that our explanations are easy for high school students to understand, and the lectures are popular with teachers as well." 

HOW MANUFACTURERS ARE ENSURING CONSUMER SAFETY

Our motto is to 'Never Make an Unsafe Product,'" says Yoshio Nagamatsu, group manager of Corporate CS Division at Panasonic, one of Japan's leading manufacturers of consumer electronics. "Safety is our number-one concern throughout the planning and manufacturing process. To help us achieve the highest possible levels of safety, we not only carry out painstaking inspections as a matter of course, but also listen very carefully to the views of our consumers. By looking at safety issues from the perspective of the end user, we can often nip problems in the bud before they occur."

It was in order to prevent accidents and improve consumer safety that Panasonic established its VOC (Voice of the Customer) Office. The center analyzes the content of every customer call the company receives and compiles a detailed response by the following week to the production teams, providing feedback to the assembly line containing concrete suggestions for improvements that might include altering device specifications. It was in response to a call to the VOC Office that Panasonic decided to include a bitter-tasting coating on the small SD chips used in various digital products, to prevent children swallowing them by mistake. "This had never actually happened, but we took action because we decided that there was suf-

ficient risk of a serious accident occurring in the future."

Another way in which the company works to ensure the safety and peace of mind of its consumers is through its thorough after-sale service. "We believe that good after-sale service is an integral part of a safety-first approach to the manufacturing process. We have sales outlets all over the country, which are responsible for carrying out painstaking checks and repairs on products after purchase. We have 18,000 affiliated stores throughout the country. Rooted in the community, these stores perform a role similar to that of a local family doctor. As well as carrying out repairs, they can also respond to customer questions on how to use the products properly and so on. They are places people can rely on if a problem occurs.

"About ten years ago, in fact, an affiliated store with a customer list dating back 20 years helped us out with the swift recall of a kerosene heater that threatened to pose a risk of carbon monoxide poisoning. The assistance we received helped to prevent the incident from escalating into something more serious. We also work hard to guarantee the safety and peace of mind of our consumers overseas. After all, fully 50 percent of our sales come from outside Japan. In Vietnam and India, for example, we are increasing the number of Panasonic brand stores and

assigning permanent service representatives to work in them. They will help provide the same kind of after-sales service available at affiliated stores in Japan."

Other electronics manufacturers are also working hard to ensure consumer safety. At Mitsubishi Electric, product development from the planning stage onward works on the assumption of a worst-case scenario in terms of component deterioration and ensuing accidents. The safety of the consumer is the company's number-one priority. As part of its efforts to respond promptly to consumer concerns, Mitsubishi also provides information via its webpage on the status of investigations into defective products, as well as operating a site specially designed for homemakers and a customer call center that is open 24 hours a day, 365 days a year.

At Sony, meanwhile, a system is in place to ensure that a report of any serious accident affecting consumer safety reaches top management within eight hours of the incident occurring.

With consumers increasingly concerned about product safety, building a culture of safety is a more pressing issue for companies than ever. The Ministry of Economy, Trade, and Industry recognizes companies that have taken particularly impressive steps to ensure the safety of their customers with its Awards for the Best Contributors to Product Safety. 