



MEDIA RELEASE

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PARENTS NEED TO LEARN MORE BEFORE THEY SIGN UP FOR EDUCATIONAL SOFTWARE

We all think we could resist the slick spiel of the in-home salesman, so why is it that so many people end up saying "yes". Now researchers, lead by Dr Paul Harrison from Deakin University, have answered this question.

A landmark report to be released today by the Consumer Action Law Centre exposes the psychological manipulations used by educational software sellers to persuade parents to enter into expensive contracts. "Shutting the Gates: an analysis of the psychology of in-home sales of educational software" uses interviews with former sales staff and feedback from families who have received in-home visits from some of these companies.

Ms Catriona Lowe, Co-CEO of the Consumer Action Law Centre said the report exposed the emotional manipulations behind the sophisticated sales techniques employed by companies that use in-home sales – even providing a copy of an actual sales script.

"It's very difficult to ask someone to leave once you've invited them in. We've seen people who have had sales staff remain in their home for several hours before eventually feeling compelled to sign up to one of these deals – often courtesy of a very expensive financing option," Ms Lowe said.

"Eliciting that first invitation to visit the home is crucial to this sort of sales technique. It's the first step in the process that one former salesman described as 'a sheep paddock, where you would go around shutting the gates as you went through your routine. So that at the end, the only gate left open was to buy'," Ms Lowe said.

Ms Lowe said the report illustrates how vulnerable consumers are to the often subtle, but frequently effective, tactics of in-home salespeople – no matter what the product they are selling.

"Our legal practice has seen many cases where parents have signed up for these software programs on the spot because of intense high pressure sales tactics, only to find the program doesn't meet their children's needs or that they weren't fully informed of the actual cost they would end up paying in total," she said.

Ms Lowe said that one of the big concerns parents should have is that these companies claim they can provide an "assessment" of a child's academic ability based on a test done during the visit.

"It's understandable that parents would be concerned about their children's education and would want to know if there is a problem. However, these sales people are not qualified to assess any child's academic ability," she said.

"Unfortunately, one of the big problems we see is that some schools are inadvertently touting for these companies in newsletters and we'd like to see educators step up and take more responsibility in adequately assessing the role they should play in promoting expensive products that have left many families in severe financial trouble."

The release of the report will be accompanied by the premiere of a short film "Shutting the Gates", a docu-drama written and produced by Dr Paul Harrison of Deakin University as a result of his research on this subject. To view a trailer of the film, go to <http://www.shuttingthegates.net>.

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