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trading standards law explained

Part 1. Types of vulnerability

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Situational

Situational vulnerability should always be assessed on a case-by-case basis. It is important to remember that all consumers can be situationally vulnerable, and vulnerability is dynamic.

Vulnerability may be caused by the personal situation or circumstances of the consumer; the timing and nature of the decision; the consumer's level of knowledge, skills or ability; and the effectiveness of tools and communications made available to them by businesses to assist in decision-making.

Situational vulnerability can be caused by, for example, cognitive impairment, low income, illness, loneliness or social isolation. This list is by no means exhaustive.

Some of us may experience vulnerability during difficult periods in our lives, such as when we go through a bereavement, a divorce or a period of ill health.

Vulnerability can also originate from more enduring personal situations, such as a long-term physical or mental disability.

Market context

The second type of vulnerability can be caused by market contexts - for example, when a consumer has to choose between complex offers or alternatives, or make decisions on the basis of imperfect or unclear information.

It can also come about when a consumer hasn't accessed a market for some time or has never done so.

Market context vulnerability can also be caused by business communications, or the way consumers are expected to contact or communicate with a business. Sometimes, lack of experience and education around technology can lead to vulnerability.

Market context vulnerability may arise in some of the following situations (as above, this list is not exhaustive):

- switching gas or electricity providers
- switching bank accounts

- buying an electric car
- buying a funeral plan
- investing in cryptocurrency
- buying a first car or home
- choosing a care home for an elderly relative

The two types of vulnerability can affect consumers at the same time.

< Introduction

> Part 2. Understanding vulnerability

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