

Play fair or run foul of consumer networks



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Unethical trading practices are fast coming to the end of their shelf-life thanks to advances in consumer networking - unfortunately some of 'the usual suspects' have yet to wise up and risk a backlash from exploited customers.

Word of mouth from individual critics can't kill the business of major service companies. But multiply individual consumer outrage and anger by 10-million and your volumes and share price will feel it.

Regrettably, some quite sizeable companies are still thought to engage in dubious sales tactics and seem to under-estimate the power of consumer networks in the age of social media.

Two dodgy practices have already been identified by the old fashioned rumour mill that depends on word of mouth. If either practice is substantiated and revelations "go viral", consequences could be dire for any local perpetrators.

The suspected ploys are...

Cookie-based price gouging: It is believed that an airline flags interest in low-cost flights when consumers browse its internet site by attaching a cookie to visiting computers. When consumers return to the website to book the flight, the price has suddenly increased as the airline knows there is keen interest in this destination by these specific site visitors.

Rumours about this alleged practice are accompanied by a suggested antidote. The dodge can be circumvented by browsing on one computer and booking on another.

Bandwidth throttling: This dodge reportedly occurs in bandwidth marketing. It is possible for an Internet Service Provider to slow down bandwidth when clients reach a set percentage of their monthly allocation. As Net access hits snail pace, clients look for a solution - making victims a soft touch when the ISP advises them they need more bandwidth at a higher fee.

So-called tricks of the trade were encountered regularly in the past. They are less common today thanks to new legislation and greater consumer awareness, but they still occur.

Any local companies that engage in such tricks of the trade should realise they are playing with fire. You might gag one consumer with threats of legal action, but you can't gag a million or more Net 'reviewers' and critics.

It doesn't matter how sophisticated the ruse is, the truth will out. Downsizing often results in a stream of disgruntled ex-

employees leaving a company. They gleefully blow the whistle on dodgy practices... so play fair or run foul of a consumer backlash.

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