



The Development of Broadband as a Factor for the Improvement of Consumers' Position

By the General Secretary for Consumer Affairs, Mr. Athanasios Skordas

Nowadays, the vindication of free economy has brought in the limelight two factors: the Market and Citizens. Both the cooperation achievement and the balance among the above factors have been a necessary prerequisite for development and prosperity. However, in order to ensure the effectiveness of free economy's functionality, it is necessary to balance it by adding a social dimension to it.



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This social dimension pertains mainly to ensuring healthy competition on the one hand, and the respect for consumer rights on the other hand.

In Greece, as well as on a global scale, the financial environment is changing, markets are being integrated and products move freely.

Even in the smallest local market, enterprises are required to operate in a complex environment, affected by a number of different factors: the Integrated European Market, the new rules on competition, the international opening of markets, the entry of new countries in the trade, and the easier movement of international funds.

Fundamentally, however, it is affected by the consequences and opportunities arising from technological development, which allows consumers living in one part of the globe to get information, do research and buy a product from another part of the globe.

The spread of broadband networks has created a new reality, which has touched almost all aspects of the consumers everyday lives, while at the same time has been bringing radical changes in each company's attitude and strategy.

Broadband networks have offered new potentiality for ongoing, interactive and pluralistic information to citizens, as they are capable of receiving information from multiple sources at any time, and choosing the topics they want to look into. More specifically:

- > They are offered with a endless variety of entertainment choices.
- > They are able to watch sports events of their choice by choosing, not only a specific sport, but also the camera and broadcast they wish.

- > They are able — irrespective of how far they may be — to receive medical advice and assistance that may prove to be life-saving.
- > They are able to inform other consumers, as well as competent authorities, immediately by using both audio-video messages, about problems they have faced in connection with specific products, with regard to improper and potential unsafe items.
- > They are able to fully exercise their civil rights and express their opinions, problems or accusations, no matter where they are. In a country like Greece, where its mountains and islands have led the residents of many areas to isolation, this development can improve their situation immediately and practically.

At the same time, thanks to the ongoing and unhindered flow of data and information, which is promoted and strengthened by broadband networks, the structures and function of Markets are changing. For example, the reasons behind the creation of local physical monopolies -which have prevented competition in a number of Markets - can be eliminated.

Consumers, who used to be the victims of geographic isolation and lack of information, can become market regulators thanks to their ongoing information and multiple choices.

At the same time, various locations on the globe that were doomed to isolation, will now be able to compete with developed areas, based on equal terms, with regard to the offer of services and products.

Such developments have given significant hope for consumers in Greece, as



well as for a balanced regional development — a hope for equal opportunities, a hope for offering quality by everyone to everyone.

In that new environment being developed, each one has new potential and new demands.

Thus a new type of consumers is being created.

With the given multitude of different products and information available, consumers are capable of comparing, evaluating and choosing on a global scale. They can make choices taking into account such factors as the quality, price-satisfaction ratio, service, fashion, trust in a certain product and company, and of course, the new lifestyle that shapes attitudes and consumer habits.

However, the higher the volume of available information, the harder the absorption, control and evaluation of the information received. Information spreads fast, however it also disappears fast.

Control of information has yielded to what can attract our attention. Thus, the power of information now lies with the one that is able to attract the recipient's attention.

Thus, it is now necessary to place special emphasis on the importance of that new power; actually we are dealing with a new economy here, an economy of attention.

I feel that the notion of "attention" is dominant in current consumer attitudes. When faced with countless choices, the time and attention that a consumer can devote to trying a certain product is very little.

There is no room for errors, either with regard to the approach used or to the product itself.

There is no room for negative publicity for a product or company, as bad news is what does attract attention.

When bad news reaches consumers, they shall proceed to inflict punishment easily, directly and often irreversibly, just by withdrawing their attention from the product and turning it to another.

Such behaviors will be on the rise, as more and more segments of the population acquire direct access to the information offered by new technologies

and broadband networks in particular. That development will be a permanent one and will determine the function of Markets to a large degree.

Within this contradictory and complex environment, where consumers and companies are required to adjust their attitudes by taking into account many new parameters, it is the promotion and implementation of consumer policies that come to the scene.

Consumer policies are a catalyst for highlighting those behaviors that will allow Greek companies, and the Greek economy, to adapt to the needs of a competitive environment.

My position may lead many people to the conclusion that there is a contradiction. Why do we set as our top priority the promotion of regulation-based policies now that frontiers are opening up and technological advancement is leading to an international competition climax?

Is it possible for such policies to strengthen the companies they are imposed on?

Why has the European Union (EU) been so strongly determined to draft and implement consumer policies?

In an effort to promote integrated rules, the EU has tried to ensure consumer rights as a necessary prerequisite for establishing a climate of trust and confidence in the Market, which is necessary for the creation of the Integrated Internal Market, as it will enable companies to meet the demands of that new environment. The ensuring of consumer rights will strengthen companies that invest in quality.

Within the environment created by new technologies, which has the above-mentioned features, it is only these companies that will be able to survive and grow.

Currently, in our country, after so many years of delays, a well-coordinated effort is being made towards two directions:

On the one hand, it is an effort to close the gap that separated us from developed countries with regard to competitiveness, the application of new technology and citizen access thereto, a gap that is huge in the case of broadband networks, thus condemning the country to a technological illiteracy.

On the other hand, it is an effort to deal with the respective phenomenon of "consumer illiteracy", an ignorance on the part of citizens of the rights they have as consumers, of the structures set up to support them, as well as of the capabilities they have for market research and cost reduction in their transactions. Of course, I do not mean to claim that the initiatives and policies implemented by the government have solved the problems.

I do not mean to claim that the adoption of consumer or broadband development policies alone are sufficient for ensuring the smooth function of the Market and the development of economy. We still have a long way to go with regard to a wide range of policies. However, it is my conviction that if we do have a plan and if we are persistent, courageous and focused on the promotion of reformative interventions, we will keep seeing the dawn of a better day, everyday.

