

## **complaint**

Mr S complains about the amount that he's been charged by Shop Direct Finance Company Limited for items that he bought using his account.

## **background**

Mr S has a credit account with Shop Direct that was opened in December 2016. He used it to buy two items on buy now – pay later terms. He bought a watch in March 2017 for which he was charged £319.20 and he bought a phone in November 2017 for which he was charged £295.99. He contacted Shop Direct about the terms of the offer for the first item and as a gesture of goodwill it credited £50 to his account. He complained to Shop Direct in February 2018 that the cashback that he was expecting hadn't been credited to his account. He was told that the cashback would be credited to his account – but Shop Direct then said that that was incorrect. It apologised for giving him incorrect information and sent him a cheque for £15. He wasn't satisfied with its response so complained to this service.

The adjudicator didn't recommend that this complaint should be upheld. He said that the prices of the items had been reduced by 20% because Mr S had used offer codes and that he wouldn't be eligible for two forms of discount on the same order. He said that Mr S had misunderstood the terms of the offers and wasn't entitled to a further 20% discount along with the 20% discount already applied. He accepted that Mr S was misadvised in February 2018 and that Shop Direct didn't deal with his complaint in a timely way. But he believed that the £65 compensation that it had paid to him was a fair settlement in the circumstances.

Mr S has asked for his complaint to be considered by an ombudsman. He says, in summary (and amongst other things), that:

- his account was on buy now - pay later terms for twelve months and he was entitled to discounts and cashback;
- he didn't enter offer codes for the two purchases;
- Shop Direct has a phone promotion with a £70 discount and £100 cashback on buy now pay later terms for twelve months;
- relatives of his have received discounts and cashbacks on their accounts;
- he's been trying to return the watch since November 2017 because it was defective but Shop Direct refused to accept it back;
- he's ordered another phone on the account but hasn't received it – and he's made a data subject access request to Shop Direct but it can't provide him with the information that he's asked for;
- at the very least he'd like the £65 compensation credited to his account and a refund of all of the interest on the account since November; and
- he's in financial difficulty.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mr S is clearly very frustrated by his dealings with Shop Direct. He initially complained to Shop Direct and then to this service about the cashback that hadn't been applied to his account and the incorrect information that he'd been given by Shop Direct. He's now complained about other issues – but I'm unable to consider those issues as part of this complaint. That's because he must first complain to Shop Direct about those issues and then

– if he's not satisfied with its response – he may be able to complain about those issues to this service. So in this decision I'm only dealing with Mr S's complaint about the cashback and the incorrect information that he was given. And I'm not dealing with his complaints about the watch being defective, the new phone that he's ordered or his data subject access request.

Mr S believes that his account offers him buy now – pay later terms for twelve months and that he's entitled to a 20% discount on the price of the items that he's bought and also to 20% cashback.

Shop Direct has provided evidence to show that, as at July 2018, Mr S had used his account to buy two items and that for each of those he entered offer codes which gave him a discount on the price of the items. It's provided copies of those promotions – which clearly say that they can't be used in conjunction with other offers. Mr S says that he didn't enter offer codes. But, on the basis of the detailed information that Shop Direct has provided, I consider it to be more likely than not that Mr S did enter offer codes for those purchases. And as a result of those offers the price of the watch was reduced by 20% from £399.99 to £319.20 and that the price of the phone was reduced from £396.99 to £295.99.

And because I consider that Mr S had used those offer codes, I consider that he wasn't entitled to any other offers on those items. So I'm not persuaded that he was entitled to any cashback on those items. Mr S has referred to the Shop Direct offers from which his relatives have benefitted and to the terms of an offer from Shop Direct for a phone. But none of that shows that Mr S was entitled to cashback on the items that he'd bought.

Shop Direct accepts that it gave incorrect information to Mr S about the cashback being credited to his account in February 2018. It's apologised for that. It had credited £50 to Mr S's account in May 2017 and it sent him a cheque for £15 in July 2018 (and it says that the cheque was cashed in August 2018). I consider that the £65 compensation that Mr S has received from Shop Direct is fair and reasonable in these circumstances. And I'm not persuaded that it would be fair or reasonable for me to require Shop Direct to credit any cashback to Mr S's account, to pay him any other compensation – or to take any other action in response to his complaint.

Mr S says that he's now suffering financial difficulties. Shop Direct is required to respond to any financial difficulties that Mr S is suffering both positively and sympathetically. So, if he is suffering financial difficulties, I suggest that he contacts Shop Direct to talk with it about those difficulties.

### **my final decision**

For these reasons, my decision is that I don't uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 15 June 2019.

Jarrold Hastings  
**ombudsman**