



## Weighing A Trial Offer: Is this the Deal for Me?

a brochure from the  
**National Consumers League**



**H**ave you ever wanted to try a service or a product on a trial basis? Some companies allow interested customers the chance to try it out before they join or purchase. This is called a trial offer.

How does a trial offer work? Over a specified period of time, for no charge or a minimal charge, you can see for yourself how the service or product works and whether it is useful to you.

Perhaps you have seen trial offers advertised on television or in an Internet advertisement. Or, maybe you have been contacted by telephone or received mail or email at your home. The service or product may sound good, but before you sign up for a trial offer, consider the following questions — your answers will help you make the decision that is right for you.

### Check out the Company

**I**f you want to check out a company before you agree to a free trial offer, or if you have a complaint about an offer, contact your local Better Business Bureau or state/local consumer protection agency. You will find them in your telephone book or search for them online.



### Is the company making the trial offer trustworthy?

A reputable company should:

- make it easy to contact the company by giving you its name, address, and telephone number.
- tell you all about its product or service, including a description of exactly what is being offered, how much it costs, the membership benefits and restrictions, the payment options, and the cancellation policy.
- provide complete information on the terms and limitations of the trial offer, including the length of the trial offer, what happens when it ends, and what action you need to take if you do not want to continue after the trial period is over. For example: You could be billed for the product or service unless you notify the company that you want to cancel before the trial period ends.
- disclose its privacy policy that explains what personal and financial information is collected about you, how the information may be used, and with whom it may be shared.

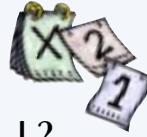


### What do I know about the trial offer?

Carefully read any information sent to you by the company making the offer. Pay attention to details, such as:

- The date the trial offer begins and ends.
- Limitations on your use of the service or product during the trial period.
- How to obtain the benefits of the trial offer. For example: Do you need to present a coupon or enter a special code for online purchases?
- How frequently you will receive the service or product.
- If you are trying out a product, what the return policy is and who pays for the shipping on returned items.

## #3



### What happens when the trial offer ends?

This is very important! It is up to you to read the trial offer very carefully. Make sure you understand:

- The date the trial offer ends. Mark your calendar and decide before that date whether you wish to continue receiving the service or product.
- Your responsibilities under the free trial agreement. Typically, if you do not want to continue, you must contact the company and cancel the product or service before the trial period ends or else you will be automatically billed for future use or membership. In some cases, you may be billed retroactively for products or services you used, so make sure you understand the terms of the offer before you agree to the trial.

It is a good rule of thumb that if you are not interested in continuing with the service or product, contact the company before the end of the trial period, and tell them that you wish to cancel immediately to avoid the possibility of being charged for something you do not want.



## #4

### Is this Product or Service Right for Me?

It is important to determine whether the product or service fits your lifestyle. To help you decide whether to continue with the product or service, make sure you review and understand the rules before you join.

- Does the cost of the product or service fit your budget? Even though a trial offer allows you the opportunity to try it out, is the product or service something that you really need or want?
- How likely it is that you will use the product or service? For example, you may be interested in trying a trial membership at a gym. In order to get regular use of the facility, before you join, make sure that the gym is open

and available for you to use at the times you plan to use it.

- Do any limitations or restrictions on the membership make it less useful or attractive? For example, membership in a travel service that has blackout periods during school holidays may not be good for a teacher who would normally travel during school vacations.
- How do you obtain the benefits? Check to see if you need to present a coupon or enter a special code to make purchases.
- If you will receive products or services automatically, how frequently they will be provided, and what you have to do if you do not want them and by when?
- Is there is a minimum purchase requirement? Are you interested in receiving the service or products as often as stated? Are there any other requirements or obligations you must meet that creates a hardship or hassle? What happens if you do not meet those obligations?
- When, how often, and how much you will be charged? You also need to know whether the charge will be placed on your credit or debit card or deducted from your checking or other account.
- What is the cancellation policy? How long is the membership? If you do not want to continue, is there an early cancellation penalty for ending your membership? How must you go about canceling your membership?
- What are the refund and return policies? Know how you can receive a refund if you are not satisfied with the service

### Watch out! Don't Just Let it Lapse

Sometimes people let a trial offer lapse without canceling the product or service because they did not provide their billing information to the seller. However, if the consumer bought other goods or services from the company in the past, the company may already have their account information at the time the free trial is offered. Consumers may be surprised with a charge once the trial offer ends and then have to take extra steps to resolve the problem.

or product, how you would make that request, whether there is any time limit for doing so, and who is responsible for shipping costs.

**Important! Save information about the terms and conditions of your membership someplace where you can easily find it if you need it.**

### Pay Attention to the Details!



In some cases you will be charged at the end of the trial period unless you take the necessary steps to cancel the product or service before the end of the trial. In other words, your failure to take action to cancel is interpreted as your acceptance, and you will continue to receive and be periodically charged for the product or service until you take the necessary steps to cancel. This is sometimes referred to as a “negative option.”

A type of negative option plan is a “continuity plan” in which you receive goods and services automatically on a regular schedule. For example, a music club may send you several CDs every month. You do not have to order the product or service each time — it is provided unless you notify the company before the next shipment or service date that you do not want it. You may be able to keep the products or services you received during the trial offer for free, but if you continue with the plan after the trial period ends, you may be obliged to accept and pay for a minimum number of products or services. More information about your rights concerning negative option plans is available on the Federal Trade Commission’s Web site at <http://www.ftc.gov/bcp/online/pubs/products/negative.htm>.



## The Three “Do’s” of Trial Offers

### DO Look for Details.

Get all the facts before you agree to a trial offer. Know what will happen when the trial period ends.

### DO Keep Track.

Note on your calendar the date the trial period ends and decide whether you want to continue before that date. If you cancel, keep a note with the date and the name of the representative you dealt with.

### DO Check for Charges.

Review your credit card or bank statements as soon as you receive them or check your accounts online. If you are charged or debited when you should not have been, or for the wrong amount, contact your bank immediately. More tips about free trial offers are on the Federal Trade Commission’s Web site at <http://www.ftc.gov/bcp/online/pubs/products/trialoffers.htm>.



**Safety.**  
**Security.**  
**Social Conscience.**

### **Join the League Today**

Founded in 1899, the National Consumers League is America's pioneer consumer organization.

NCL is your consumer advocate. NCL works for safer foods, a cleaner environment, and protection against consumer fraud.

Your \$20 annual membership shows how much you care about educating consumers — especially those who are most vulnerable — and strengthening consumer protections to meet the challenges of today's marketplace.

Members receive the *NCL Bulletin*, discounted and free publications, reduced conference registration, and a voice in determining NCL's priorities.

Log on to [www.nclnet.org](http://www.nclnet.org) or call 202-835-3323 to join today!



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