

Sweepstakes Assistance: A Caregiver's Guide

Many consumers enjoy entering sweepstakes. Unlike many other games of chance, however, sweepstakes offer an opportunity to win a prize without having to buy anything. Sweepstakes have become an ingrained and even entertaining part of American culture. It is estimated that as many as 55 million Americans enter sweepstakes each year, with more than 15 million entering four or more times each year.

By definition, a sweepstakes is an advertising tool by which prizes are awarded to participating consumers by chance and with no purchase or fee required to win. Most consumers understand that no payment is ever required to enter or win a legitimate sweepstakes: the overwhelming majority of people who enter sweepstakes do not purchase anything. In fact, according to major sweepstakes mailers, of more than 100 million entries returned in a two-year period, about four out of five entries were sent in without an order.

Of concern, however, are a small number of consumers, especially some older individuals, who may have difficulty understanding that there is no need for them to place an order or give a cash donation to be eligible to win a sweepstakes. Some may even incorrectly believe that their chances of being a “big prize” winner increase with every purchase or contribution. These same consumers may also have difficulty understanding advertising messages that are unrelated to sweepstakes.

We Are All Concerned

Many reputable marketers and nonprofit organizations use sweepstakes to draw attention to their products and causes. Such companies and organizations want to build long-term customer relationships based on trust, value and convenience. And, just as all marketers do, those who solicit with sweepstakes appreciate frequent purchasers or givers. It's good marketing sense that they would want to cultivate customers who enjoy, welcome, and respond to the offers they receive.

When a customer purchases an extraordinary amount, though, reputable companies may see this as a red flag that the person may not be acting in his or her own best interest. Legitimate marketers try to identify those purchasers who are making unusual, or an unusual number, of purchases in response to their promotions, and who may not clearly understand the “no purchase necessary” message. The same purchase amount that may be perfectly reasonable for

one individual may be an extraordinary amount for another individual. That is why legitimate companies welcome assistance in identifying those consumers who may be making unwise purchase decisions.

The Direct Marketing Association (DMA) encourages caregivers, including relatives, friends, and social service professionals, to express their concerns regarding those consumers for whom they care or serve professionally. Legitimate marketers want your help in identifying individuals who may need assistance relating to sweepstakes participation.

Have you found a Problem Purchaser?

Adult children, friends and caregivers can come across signs that someone they know is confused about the offers he or she receives, and is making unwise or uninformed purchasing decisions. The following are signs that could indicate a problem:

- The person saves stacks of sweepstakes solicitations from a multitude of companies.
- You notice an unusual number of packages containing merchandise of various sorts that you suspect the person doesn't want or need. Some of the packages may never have been opened.
- There are numerous magazines lying about that appear to be unread.
- The person orders magazines and products that are clearly inappropriate, for example, weight lifting or sailing magazines and equipment for someone clearly not interested in or capable of those activities.
- The person has made many payments, or what appear to be duplicate payments, for the same orders to the same company within a short time span.
- The person has made many contributions to the same charitable organizations within a short period of time. Or, the individual has made numerous donations to several charities that do not seem to be of interest to him or her.

Taking steps to assist someone in need can be a sensitive matter. If you have observed one or more of the above, there are ways you can be of assistance without compromising the independence or dignity of the person you wish to help. Remember that there is a big difference between entering a sweepstakes for the sake of enjoyment and the chance to win, and spending so much on sweepstakes that basic personal and household necessities are neglected. How can you tell the difference and what can you do to help?

Questions You Should Ask Yourself:

Are the purchases really foolish?

Would you think the same behavior was okay, perhaps even charming, if done by someone younger or not as close to you? Are you reacting strongly only because of the age of the individual? Or, are you relying on your own sense of what is responsible and proper behavior simply because you wouldn't consider spending your own money that way?

Is the person handling his or her own finances and other personal business adequately?

Is the person really harming himself or herself? Has the person spent more than what should be reasonable for his or her own income to the point that there is debt and bills are falling behind? Is money previously allocated for significant items no longer available, or has there been a significant reduction in the person's quality of life? Is the person exhibiting a "gambler's mentality" based on an addictive-like belief that his or her luck will soon change for the better?

Questions You Should Ask the Person You Care For:

Here are some questions that could help you determine whether or not the person understands sweepstakes and is making informed purchase or giving decisions.

- Why do you purchase or contribute as often as you do?
- How satisfied are you with the products you buy?
- How do you feel about the sweepstakes mailings you get?
- Do you feel you are obligated to respond to the mailings?
- How would you describe your chances of winning?
- Do you believe that a purchase is necessary to win or that it gives you a better chance to win?
- How difficult is it for you to pay your bills from purchases that accompany sweepstakes, or to pay other bills?
- Have you ever changed your plans in anticipation of winning a sweepstakes prize?
- Do you spend a lot of time thinking about winning a sweepstakes?
- How much of your time are you using to participate in sweepstakes?

How Can You Help?

If you believe that you have identified someone who may need help, there are things you can do. Situations such as this can be so distressing and worrisome that some caregivers feel their only alternative is to take total control over the person's finances and mail. Keep in mind that taking over someone's personal affairs is a serious matter with legal implications. The process usually requires a court determination of incapacity and the appointment of a legal guardian. It is an expensive and time-consuming process that requires providing evidence that the person is unable to manage his or her own life and that this inability puts the person at risk.

Another legal option some caregivers consider is to obtain power-of-attorney. However, power-of-attorney can only be granted by the person you are concerned about at the time the person was mentally competent to give it. Further, it can only be used to carry out that person's wishes, not yours. Therefore, this option may not be helpful in most cases because there is usually no reason to think that a person would make different decisions from those made in the past - even if those decisions are not always good ones.

What often is the easiest, most viable approach is to build or act upon an already established trusting relationship with the person and to 1) actively help the person gain a better understanding of sweepstakes, 2) assist the person in changing present behavior related to sweepstakes, and 3) gain an agreement to openly discuss together future sweepstakes-related decisions.

Actions You Can Take

Everyone has a right to receive his or her mail from the US Postal Service. With the person's permission, however, you can have his or her mail forwarded to your address. Otherwise, with the consent and cooperation of the individual you can:

- Volunteer to pick up the person's mail. This will allow you to discern whether questionable offers or solicitations of any kind are arriving and give you the opportunity to review them.
- Volunteer to review sweepstakes mailings with the person to make sure he or she understands them and knows there is no requirement to respond to them. Point out that no purchase is needed to enter and win sweepstakes.
- If you live at a distance, make arrangements for another trusted individual to visit and help review the mail.

Although you cannot, without a court order, take control of a person's finances or instruments of payment, you can:

- Offer to help with balancing the checkbook, and ask about questionable checks.
- Review credit card and billing statements together and ask about multiple charges to the same company.
- Assist the individual in developing and following a financial plan that is in his or her best interest.

If you find the person is more open to receiving information from someone other than yourself, you might:

- Encourage the person to participate in a seniors group on handling finances, a credit counseling organization, or a consumer protection organization.
- If pertinent, provide resource information about intervention programs like Gamblers, Debtors or Alcoholics Anonymous, which could help the individual understand and work toward changing certain behaviors.
- Contact local AARP volunteers with whom you could put an older individual in touch for advice and counsel.
- Consult with a caregiver association for additional support if the sweepstakes problem is part of a broader concern regarding the person.

Another step you can take is to partner with the companies themselves:

- Contact the companies sending sweepstakes solicitations and request that they remove the person from their customer and prospect lists. Also, ask that they not exchange, rent, or share the individual's name with other marketing companies.
- Ask the companies to provide you with postage-paid labels so unused and duplicate products can be returned for refunds to the individual. Ask the companies to check for and close out duplicate accounts for the individual.
- Ask the companies to provide account statements showing all orders and monies spent. Use the statements to point out to the individual duplicate purchases or other unusual purchase patterns.
- Ask the companies to cancel future shipments or subscriptions to the individual.

The Federal Sweepstakes Law

The DMA strongly supported the Deceptive Mail Prevention and Enforcement Act, which went into effect April 12, 2000. This law allows caregivers of elderly or disabled individuals to more easily have those individuals' names removed from promotional mailing lists.

The law strictly prohibits these false representations in sweepstakes promotions:

- That the recipient is a “winner,” unless that person has actually won a prize;
- That the recipient must order to enter;
- That an entry must be sent in with payment for a previous purchase;
- That the recipient must make a purchase in order to receive future sweepstakes mailings;
- A fake check, if it does not include a statement on it that it is non-negotiable and has no cash value;
- Any seal, name or term that implies a federal government connection, approval or endorsement.

Before deciding whether or not to respond to a particular offer, consumers should review it to make sure that it meets the following legal standards:

- All disclosures, terms and conditions of the promotion, including rules and entry procedures should be included, and should be made in a clear and conspicuous manner. They should be written in language that is easy to find, easy to read, and easy to understand;
- The mailing, rules, and order or entry form should contain a clear statement that no purchase is necessary to enter the sweepstakes;
- The mailing, rules, and order or entry form should clearly state that making a purchase will not improve the recipient's chances of winning;
- The rules should give the estimated odds of winning each prize; the quantity, the estimated value and the nature of each prize; and the schedule of any payments made over time as a prize;
- The name and address of the sponsor should be indicated;
- The mailer must also include an address or toll-free number where a recipient or caregiver may request name removal from the sponsor's mailing list.

A Word About Fraudulent Operators

It is important to know that there are fraudulent operators, many of which pass themselves off as legitimate sweepstakes marketers, often using variations of names of familiar and respected companies. Typically, such operators contact consumers by telephone or mail claiming that they are holding a large prize and only need to collect taxes or a delivery fee before the consumer can receive the prize. Remember, a legitimate sweepstakes company will never require a purchase or payment of any kind to enter a sweepstakes or claim a prize. In addition, consumers should understand that making a purchase does not increase the odds of winning. In the case of suspected fraud, please contact the US Postal Inspection Service or other appropriate law enforcement authorities.

The DMA, US Postal Inspection Service, and Call for Action (a nonprofit network of consumer action hotlines working in partnership with radio and television stations) published a consumer booklet, *Sweepstakes Advertising: A Consumer's Guide*, which discusses the hallmarks of fraudulent sweepstakes offers as compared to those that are legitimate: www.dmachoice.org.

A Final Note About Sweepstakes

Sweepstakes promotions are common, and they are a particularly effective marketing technique because they get consumers to pay attention to a company's products, causes or services. Many industries such as charitable fundraising, consumer packaged goods, and publishers rely on them, thus producing hundreds of thousands of jobs in print-related industries.

With sweepstakes, not only can consumers conveniently receive offers on many of the products they enjoy, but they can also think about the prospect that just maybe they'll be a winner of a big prize or large amount of money. After all, with a reputable sweepstakes, somebody always wins.

Other Resources

There are several organizations that could be of assistance to you if you are concerned about someone's participation in sweepstakes promotions, or broader issues concerning an older individual. The following is a sampling of such organizations:

AARP

601 E Street, NW
Washington, DC 20049
800.424.3410
www.aarp.org

Works to improve quality of life as individuals grow older, network of state offices and volunteers.

National Family Caregivers Association

10400 Connecticut Avenue, Suite 500

Kensington, MD 20895

800.896.3650

www.nfcacares.org

Grassroots organization dedicated to improving life for family caregivers, those caring for loved ones with a chronic illness or disability.

◆ **State Agencies on Aging:** check your local telephone directory.

Better Business Bureau Wise Giving Guide

Council of Better Business Bureaus (CBBB) Foundation

4200 Wilson Blvd, Suite 800

Arlington, VA 22203

800.575.GIVE

www.bbb.org

Evaluates national charities, some of which use sweepstakes.

National Foundation for Credit Counseling

801 Roeder Rd, Suite 900

Silver Spring, MD 20910

301.589.5600

www.nfcc.org

Nonprofit network providing assistance to people dealing with stressful financial situations.

Gamblers Anonymous International Service Office

PO Box 17173

Los Angeles, CA 90017

213.386.8789

www.gamblersanonymous.org

Provides support and recovery tools to compulsive gamblers.