

SECTION C

How to be a consumer detective

Aims and overview

This unit aims to enable young people to become better informed and more assertive consumers, who are well-aware of advertising and marketing pressures to consume. Consumer scams, and ways to avoid them, are also explored.

Key concepts

Advertising, marketing, target markets, sales techniques, emotional intelligence, consumer skills, consumer scams.

Learning outcomes

On completion of this unit, students should be able to:

- demonstrate and explain various advertising and marketing techniques
- explain what makes an informed and assertive consumer
- apply their consumer skills by researching and evaluating various products.

Background information

Consumers can feel overwhelmed by the choices offered to them. It is often impossible for shoppers nowadays to have all the knowledge they need to make an informed choice, for example, technical knowledge when buying a car or a computer.

This unit provides a toolkit of skills to help consumers become confident and assertive. Well-informed consumers make better choices, and are less likely to be pressured into buying something they don't want or lose their hard-earned cash to scam-merchants.

How to be a smart shopper

Before buying a product it is important to think carefully about why we want it, what we expect from it and whether or not we can afford it. The checklist below should help you save money:

- ✓ be aware of emotions and impulses behind the desire to spend
- ✓ work out what you can afford to spend, before you go shopping
- ✓ research the product and shop around for the best deal, comparing quality and price
- ✓ inspect the goods thoroughly
- ✓ consider alternative payment methods eg cash rather than credit
- ✓ know your consumer rights and responsibilities
- ✓ be aware of current consumer hot topics and product warnings.

Introductory activity

Organise a role play activity where students try to persuade the rest of the class to purchase a particular product. The class analyses the techniques used by sales staff eg. appeal to emotions, pressure to buy quickly before prices rise, and so on. Give the selected students a range of different products to try and sell eg. chocolate bar, t shirt, soft drink, computer game, pair of trainers.

Why we want to shop

Shopping has become more about entertainment than survival, and emotions can have a big impact on our spending choices. Developing our emotional intelligence is one way of increasing self-awareness and avoiding the kind of impulsive shopping behaviour that can lead to large credit card debts.

There are five key elements to emotional intelligence:

- **Self-awareness** means recognising how your emotions affect you, and being aware also of your strengths and weaknesses.
- **Self-regulation** means having the ability to control your impulses.
- **Motivation** involves having the drive and initiative to motivate yourself.
- **Empathy** is having the ability to see a situation from another person's perspective.
- **Social skills** include effective communication and working co-operatively with others.

Emotional intelligence helps to identify the reasons why we are spending and deal with the pressure of aggressive sales techniques.

Exercise 1 - How many emotions?

In pairs or small groups, make a list of as many emotions as you can think of (eg. happiness, sadness).

Exercise 2 - A personal example

Write down an example of when you were unable to control your emotions or impulses. What were the consequences? What would you do differently if you could?

(Select an example that you are happy to share with the rest of the class).

Exercise 3 - Controlling emotions

Provide an example of when you did successfully control an emotion or impulse and share it with the class.



Why we want to shop

Exercise 4 - Emotions and shopping

Select four emotions and write examples of a consumer displaying those emotions when shopping eg. Faye is fearful of burglars so spends thousands of dollars on burglar alarms, security screens and other protective devices.

Exercise 5 - Role play

Write a short role play activity demonstrating a lack of emotional intelligence in a shop, for example, a tired shop assistant has to deal with a difficult customer (or vice versa)!

Exercise 6 - A happy ending!

Act out the activity in Exercise 5 and ask the audience to write down the emotions they recognise. Write a new version, with a happier ending, where the characters display more emotional intelligence.



Spot the difference

Exercise 1 - Let's bake a chocolate cake

Working in small groups, compare three different chocolate cakes: an expensive brand, a cheaper brand, and a homemade cake. Start by comparing recipes and decide who is going to make the cake. Below is a sample recipe that you may like to try; the cake is easy to make and delicious!

Establish criteria so comparisons can be made in regard to:

- taste
- cost
- freshness
- ingredients (fat content, kilojoules, preservatives)
- appearance.

Exercise 2 - Taste test!

Conduct the all important taste test and summarise information from the three cakes (cost, appearance, weight/size).

Rate the three cakes according to the criteria and draw some conclusions. For example, is the cheapest always the best value?

Shelley's chocolate cake

Ingredients

- 130 grams butter
- 3 level tablespoons cocoa
- $\frac{3}{4}$ cup milk
- $1\frac{1}{2}$ cups self-raising flour
- $1\frac{1}{2}$ cups sugar
- $3\frac{1}{2}$ teaspoons vanilla essence
- 3 eggs

Method

Melt butter. Put all other ingredients in a bowl and add melted butter. Beat together for 3 minutes and pour into a greased cake tin. Bake in a moderate oven for 45 minutes.



Shopping options

Where and when to buy

Many shopping choices are available for most Australians, for example, department stores, markets, discount stores and the internet. They can each have advantages and disadvantages.

It is also useful to know when is the best time to shop as well as where. You may save money if a purchase can wait until sales times such as post Christmas.

Summarise some advantages and disadvantages of the following choices:

Shopping option	Advantages	Disadvantages
Shopping centres	Plenty of choice, car-parking, comfort (air-conditioning, cafes etc.)	Too much choice! May stay longer than planned and buy more than intended.
Department stores		
Supermarkets		
Local shopping strips		
Discount stores		
On-line shopping		
Door-to-door sales		
Phone sales		
Party sales		
Can you add any other options?		



Advertising and marketing

Advertising is all around us: commercial television, the internet, billboards, mobile phones, radio, at concerts and sports events. A range of techniques are used to influence consumers: catchy jingles, celebrity endorsement, product placement in popular movies. Appeals to various emotions such as guilt, fear or envy, for example, 'Don't your children deserve...?' are also common. Repetition of slogans create familiarity with the product or company, for example, 'Just do it'.

It is the job of marketers to work out who the advertising should be aimed at. As part of an overall marketing strategy, products are designed to be attractive to their particular target: children, young adults or seniors. Logos and symbols can be very effective marketing tools by providing a clearly identifiable message.

To become informed and assertive consumers, we need to be aware of the advertising and marketing techniques that are used to influence our choices.

Classify the following advertisements into different categories: emotional appeal, factual, authority appeal. Note some may be a combination of more than one.

Extract from advert	Type of appeal	Possible target audience
'be cool, be hip'...		
...approved by the National Heart Foundation		
'designed for the intelligent consumer'		
'be the envy of all your friends'		
256 MB, shared DDR SDRAM and 56k modem'.		
'When only the best will do'.		



Why do we choose one brand rather than another?

If you were buying a new pair of trainers, what factors would influence you?

Exercise 1 - Working out what's important

Rank the following in order of importance.

Factors	Ranking
Your friends wear the same brand	
They feel comfortable	
They look good	
They are fashionable	
They are a bargain	
They are advertised by a popular sports star	
Any other factors ? _____	

Exercise 2 - Compare your ranking

Briefly explain your ranking and compare with the class.

Exercise 3 - Find out what your parents think!

Now imagine your parents were paying for the trainers. What factors would they consider important? Take the activity home and compare their answers with yours. Discuss the reasons for any difference in the responses.

Exercise 4 - Quiz time!

Working in small groups, design and produce an online multiple choice quiz. The aim is to find out if brand loyalty has an influence on consumer choices and, if so, to what extent.



Before you buy

As a consumer you will need access to good quality information in order to make informed choices. This is especially important if you have a limited amount of money to spend. You can get information from:

- manufacturers
- advertising
- consumer magazines
- specialist publications such as car and computer magazines
- family and friends
- an internet search.

Be aware, however, that some information will be biased, and what suits one person may not suit another.

Consider alternative brands or cheaper versions of a particular brand. These often do the same job but lack a few extra features which you may not need or use anyway. The most expensive brand may not necessarily be the best quality.

Ask the sales staff about the range of products, different brands and various features available. Remember to ask about manufacturer warranties, repair procedures and after sales service.

Get quotations in writing so you can be sure of the offer being made to you and ask about delivery charges and times. This is especially important when buying on the internet.

Exercise 1 - Be a detective!

In pairs or small groups, select a product you would like more information about, for example, a mobile phone or computer. Collect the relevant information on at least three different brands or models. Rank the models in order of preference, based on your selected criteria. Present your findings to the class.

Product _____

Criteria



The art of selling

Many strategies are used to encourage consumers to buy goods and services. Items may be advertised as being 'on sale', or at a special price for a strictly limited time.

Don't be talked into buying a more expensive brand than you can afford, or with extra features that you are not likely to use.

Exercise 1 - Sales pressure examples

Have you ever given in to sales pressure? If so, summarise the experience below and the techniques used. Compare with the rest of the class. If it hasn't happened to you, write down a family experience.

A sales person will try to engage you in conversation and then convince you to buy the item. The strategy outlined below is a popular one, especially with expensive goods.

Here's how it goes.

Engagement. This will be an 'open' question where there is no simple 'Yes' or 'No' answer. It may only be a comment on the weather, but it will be designed to start a conversation.

Creating an image. The sales person wants you to imagine owning the product: 'Imagine how envious your friends will be when they see your new phone'.

The special features. Products have their unique selling point (USP) to distinguish themselves from other brands. 'No other phone has all these features'.

The facts. Facts and figures are provided to continue the conversation and maintain interest.

Reassurance. The sales person may say something like: 'It's been the best selling brand for the past five years', 'Yes, it costs a bit more, but you won't have any problems with it, not like the cheaper brands', 'We have sold ten already this week; we can't get enough of them'.



The art of selling

Exercise 2 - Role play

- a) Find a partner and select one of the products below.
Decide who will be the salesperson and who will be the customer.
The salesperson needs to decide on his/her techniques
eg. opening conversation, unique selling point.

The customer has to be interested in the product and ask relevant questions,
but still be wary of sales pressure.

sports car
computer
mobile phone
home theatre
gym membership or a personal trainer
jet skis
an expensive dress or suit for the school formal.

- b) After the activity, reverse roles and select another product.
- c) Act out some of the role plays for the whole class and compare techniques.
What was said to engage the customer in conversation? Make a note of the
best lines used by the salesperson and the responses of the customer.



Ad watch

Exercise 1 - Keeping a record

Try and keep a record of all the adverts you see in one day. This may be difficult! Use a notebook or create a spreadsheet and record the number, if there is not time to record all the details. Possible headings could be:

Before school	Travelling to school	Ads at school	After school

Exercise 2 - How many ads?

Watch TV for an hour after school or on Saturday morning. Tape the hour in case you miss any of the adverts. Note the length of each advert, how often it is repeated, and the variety of products advertised (eg. food, toys). Identify the techniques used such as humour or endorsement by a well-known Australian.

Exercise 3 - What's the difference

Working in groups, compare the adverts for two different brands of the same product eg. breakfast cereals, snack food, four wheel drive vehicles. Which is the most informative? Which advert is the most effective and why? What techniques are they using? How similar are the two adverts in terms of appearance, techniques used etc? Use a Venn diagram to compare the two brands.

Exercise 4 - Buy my product!

Working in groups, find a product that you think needs a new advertising campaign. Brainstorm ideas using creative thinking techniques such as the Six Hats. Create a new campaign and present it to the class. The format could be multimedia, posters, video or DVD. Use a spreadsheet to plan and monitor progress. At the end, create a reflective journal to record your strengths and weaknesses in terms of contributing to the assignment.

