



## Being an ACE consumer – an active, critical and enquiring consumer

### Purpose

The purpose of the activities in Section 1 is to examine the factors that influence consumer purchasing decisions and develop skills as more critical consumers.

In particular, the activities:

- examine the role of advertising and marketing, the impact of fashions and trends and the values underlying consumer purchasing decisions
- examine the protections the Fair Trading Act provides consumers in prohibiting misleading and deceptive conduct by traders
- demonstrate the power young people have as a consumer group.

Students will complete a number of activities that contribute to a summative graphic organiser illustrating the factors that influence a consumer purchasing decision.

### Learning intention for students

#### *We will:*

- examine and describe the factors that influence people's purchasing decisions and the process which leads to a consumer decision.

### How will we know we have done these things?

#### *We will be able to:*

- choose an item(s) worth up to \$100 for an imaginary purchase
- describe factors that influenced the choice of the item(s) for purchase
- collate reasons for a purchase choice from members of our class on a mind map
- tally reasons for purchase choices of members of our class and record these on a structural overview
- examine the steps consumers can take when making a purchase decision and apply these to the decision-making used to select an item/items for the imaginary \$100 purchase.

### Background information

The main ideas explored in Section 1 are:

- When making decisions about what to buy, consumers are influenced by factors such as advertising, marketing, product availability and product information.
- A purchasing decision also reflects the unique attributes, values and desires of the consumer. These include individual assets, needs and wants, the degree of influence of peers and trends, and the nature of the wanted goods.
- Where businesses are required to provide information, they must meet their legal obligations. Where businesses provide additional information, that information must be accurate. It should not mislead or deceive (trick or lie to) the consumer. (See the **Fair Trading Act** for more information).





## Choosing a purchase

### Preparation checklist

Before you start Section 1 make sure you have:

- A range of advertising brochures (junk mail) that is aimed at the age group of your students (enough for one brochure between two).
- Adhesive notes (optional)
- Sets of the **Process of making a purchase decision** sheet to be cut up (one set between 4-6 students)
- A copy of the **Structural overview sheet the process of making a purchasing decision** for each member of the class.

### Activity

- Bring to class a range of advertising brochures (junk mail) that include products, prices and pictures that students may be interested in. For example, provide advertising flyers from sports stores, book stores, department stores. Students could also bring along their own brochure of interest.
- Introduce the 'The \$100 decision' to your students.



### The \$100 decision

**An overseas uncle recently visited your family. When you took him to the airport to say goodbye, he gave you \$100 to spend in any way you want.**

- Ask the students to look at the advertising brochures and make a decision about what they would like to buy. They cannot spend more than \$100 but they can consider buying something not included in the brochure, or buying more than one item. Write down the item(s) chosen.
- Ask students to form into pairs and discuss **the reasons why** that item(s) was/were chosen. Students could write the reasons on to an adhesive note or record in their books. The answers may include, for example, *'I need it'* or *'It looks cool'*.
- Collate these reasons onto a mind map and begin to develop **headings** for similar reasons. If adhesive notes are used, the ideas can be arranged and rearranged as the headings evolve. In the absence of adhesive notes, use a whiteboard and ask students to write up their answers. If an answer fits under more than one heading, write it out again. Be aware that you are exploring underlying **values** of students as you do this, and there is potential for differences in values to be expressed.





- f) During the construction of this mind map, encourage students to think more broadly about wider issues influencing their purchasing decisions. Use the following question prompts to help introduce more ideas.

### Teacher question prompts

In this activity...

- *How was your decision in this activity influenced by the gift of \$100?*
- *How was your decision in this activity influenced by the choices of others near you?*
- *How was your decision in this activity influenced by the advertising in the brochures provided?*

In other decisions about buying things...

- *How are your decisions about what you buy influenced by advertising, store information, product information, or sales assistants?*
- *How are your decisions about what you buy influenced by what other people are wearing or doing?*
- *How are your decisions about what you buy influenced by value for money?*

**What is value for money?** *Value for money is an evaluation you make about whether you have spent your money well when you buy something. To assess value for money you usually shop around, compare products, prices, features and qualities, look for bargains and balance what products offer against your wants and needs.*

- *What are some things you might buy where value for money could be important and some things you might buy where value for money is not important (or less important)?*
- *What are your favourite shops and why?*
- *Are there any shops you don't shop at? If so, why? eg, influenced by previous experiences, refund policy?*

- g) Tally the number of reasons under each broad heading you have used and write these on the mind map.
- h) Hand out **The process of making a purchasing decision structured overview**. Ask students to complete the top half of the structural overview by using the headings and categories they used in the mind map. Four categories have already been provided. Match the headings from the class to these, or just place the headings in the space provided if they don't match.



## Making a purchasing decision

### Activity

- Put the students into groups of 4-6. Give each group a cut-up copy of **The process of making a purchasing decision** structural overview. Ask the students to put the process into the correct order. Match the key question to consider at each step below the process. (*Note: these are not in the correct order – see structured overview for correct version of process steps*).
- Ask the students to work in groups and consider the purchase decisions they made in Activity 1 of this section. Did they go through this process? Yes/No? Why/Why not?
- Ask the students to explore the meaning of the term 'impulse buying'. Ask the students to show a two-step or three-step version of what an impulse buy could look like.

*For example*

- I was out shopping and I saw it.*
- I liked it.*
- I bought it.*

- Ask each member of the group to share how they made their choice about how to spend their \$100 and link it to the decision-making process.
  - For example, one student may describe that they needed a new hockey stick for their sport this winter and so the decision was made after checking out a number of brochures to find the best value for money.*
  - Another student may describe making a choice for an item of clothing based on advertising.*
- Ask the group to discuss why people decided on different items and why they used different processes to make their purchasing decision. Discuss whether we use different processes to purchase different items, like expensive and inexpensive items, food, clothing and entertainment items like CDs or DVDs.
- Ask the students to individually complete the lower half of the overview with their own experience of making a purchasing decision (based on Activity 1 or otherwise). If they didn't do one step of the process, put a line through it. Ask the student to share their purchase story with the group.





# The process of making a purchase decision

On this page the headings and the questions are jumbled up.

- Cut out the questions and match them with the correct headings.
- Place the headings in the correct order.

Evaluation of alternatives

Purchase decision

Recognition of a need or want

Search for information

Actions after a purchase

*Is this product something I want or do I need it?*

*Am I happy with what I have bought?*

*Do I need to take any further action?*

*Do I buy it or not?*

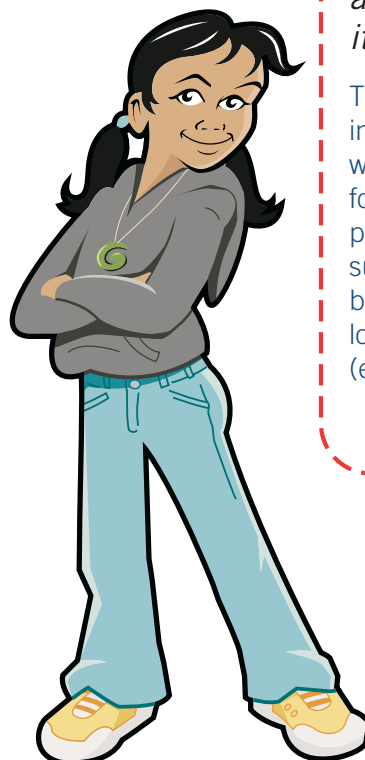
*Where will I go, what will I listen to or read and who will I talk with to get information about this item?*

The search for information will be wider for a higher-priced item such as a bike, than a low-cost item (eg, a pen).

*What criteria will I use to make my decision about which item to buy?*

eg,

- price
- value for money
- what my friends will think
- the way it is advertised
- the way it is displayed in the shop.





## Investigating a purchase

### Preparation checklist

Provide a copy of the homework sheet **Investigating a purchase – the two-stop shop** for each student.

### Activity explanation

This is an activity for students to complete as homework. It involves students selecting an item they would like to purchase, exploring the possible purchase in two shops, and making some comparisons. Please note, schools in rural areas may need to modify this activity to suit their situation.

### Activity

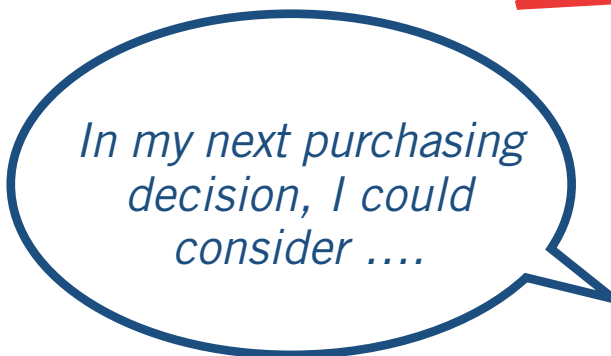
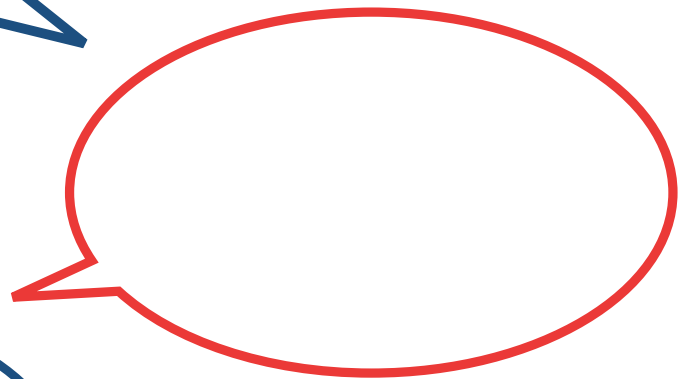
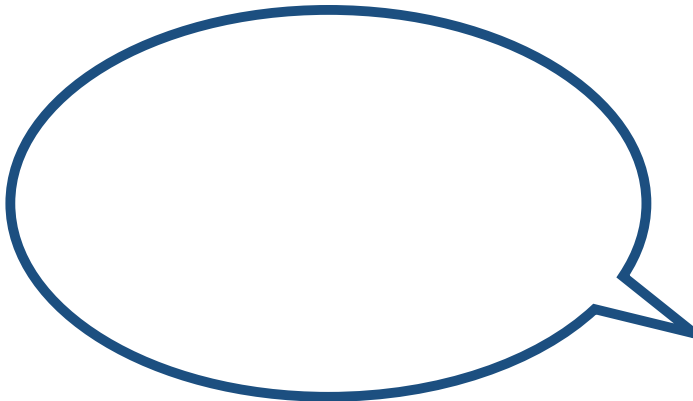
- a) Have students complete **Investigating a purchase – the two-stop shop** for homework.
- b) After the students have completed the activity discuss the result of their shop comparisons and the process they used to select which product to purchase. Focus the discussion around:
  - the reasons for the differences between the two stores – why are things done differently in each store (eg, the store layout, different buyers targeted)
  - the reasons for the students' decisions.





## Reflection and evaluation

- a) Ask students to complete the following sentences to reflect upon the findings from the class.





# Investigating a purchase – the two-stop shop

- 1. Select something you would like to purchase.** If possible select a product like an item of clothing, sports bag or sports gear that will offer you some choices between brands or models. The product must be on sale at two shops. Select something general like jeans or a t-shirt rather than a specific brand of jeans.
- 2. Visit the two shops and investigate making a purchase.** Use this chart to make a comparison between the shops and select the product you would purchase.

Feature	Shop no. 1 Name: _____	Shop no. 2 Name: _____
Price of goods (eg, okay, expensive, cheap)		
How and where were the products displayed?		
How did the display or advertising try to persuade you to buy the products?		
What was the atmosphere in the shop like? Was there music playing, did you feel comfortable in the shop and if so why? If you did not feel comfortable in the shop can you explain why?		
What was the attitude of shop assistants? Did they speak with you? Were they pleasant? Did they tell you about the product? Did they pressure you to buy or ignore you?		
Did the shop have a range of suitable goods for you to look at?		
Were the available goods the same name brands, and what did you learn about the price of the same or similar goods?		
Did each shop have products that interested you? Name a product you were interested in purchasing and why?		

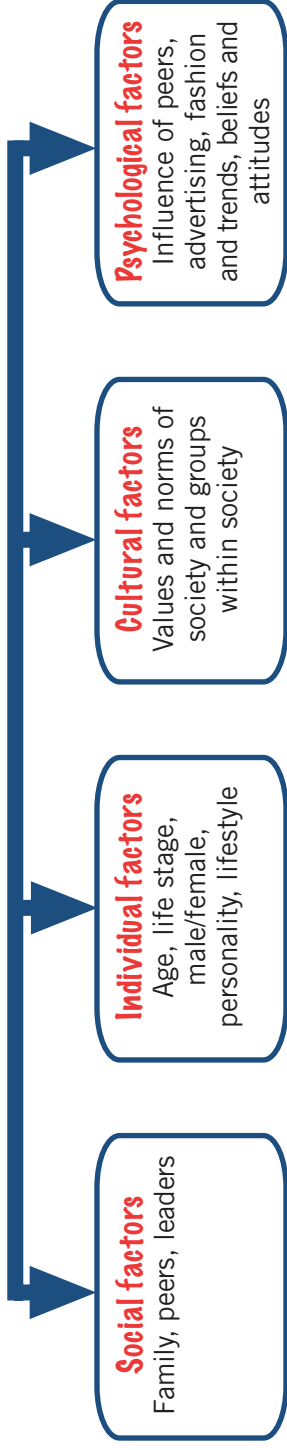
How would you decide which was the best purchase out of what you have seen? (You could decide that no product you saw was suitable). Why was it the best purchase?





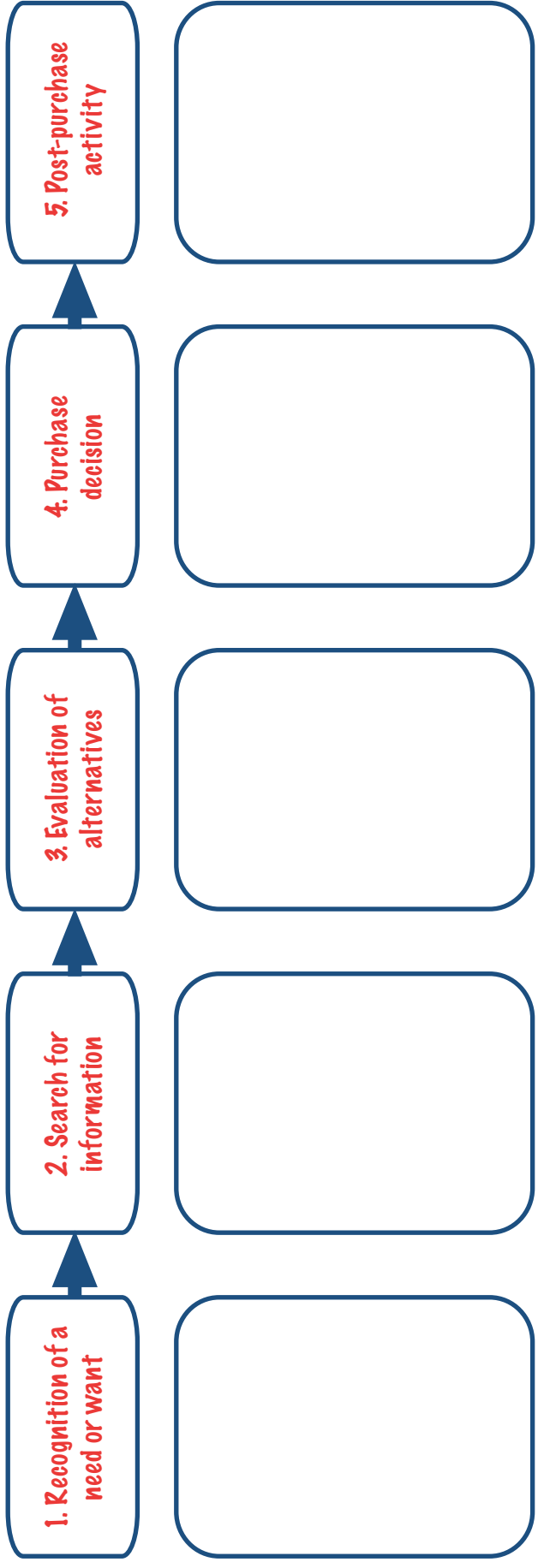
**SECTION 1: THINKING ABOUT BUYING?**  
**ACTIVITY 2: MAKING A PURCHASING DECISION**

# The process of making a purchasing decision (structured overview)



Factors influencing a purchase decision

(headings from mind map)



**STEPS**

My own example of a purchase decision

