



## Consumer influence on markets

### Purpose

This activity develops students' knowledge of the influence their actions have on the market. Understanding the way consumer purchasing decisions can influence the market will assist students when they are making critical, informed choices about purchasing in the future. It will encourage them to explore options to act when they are disappointed with purchases.

### Learning intention for students

*We will:*

- describe how our actions as consumers can influence the market (what is bought and sold).

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

*We will be able to:*

- describe purchasing decisions that we have made and our reasons for making them
- identify actions we could take (or have taken) to influence the market.

### Background information

The main ideas explored in Section 6 are:

- Consumers can influence the market by the purchasing choices and actions they take.
- Businesses provide a range of goods and services for consumers to choose from.
- Businesses set the price of goods and services, consumers choose to purchase at the specified price.
- The government fosters an equitable market.
- The government ensures that consumers are using the available options to influence the market.
- Government intervention in the marketplace is kept to a minimum. The government is aware of new and changing markets, but only develops laws and regulations if these are required for consumer protection.





## Influencing the market

### Preparation checklist

- Give prior warning to students to collect an item, or think of a story about a treasured purchase.
- Prepare materials for brainstorm.
- Prepare copies of the **How do I influence the market?** graphic organiser for each student.

### Activity

- a) Ask the students to bring in or share a story about an item or product that was purchased that they particularly wanted and/or treasure. The **I like this!** scenario could be used to start discussion instead of students' stories of experiences, however students' real-life experiences are more authentic and relevant.

#### 'I like this!' scenario

Vicki saved hard until she had enough money to buy an item she had wanted for a long time. When she bought the item she was so excited and couldn't wait to show it to her friends. When her friends saw the new item they liked it so much they decided to save their money and buy one too. At school Vicki told everyone about her new purchase and before long everyone in the class wanted to buy one too. There was a lot of saving and buying going on!



- b) Brainstorm and record the reasons why these items were desired and treasured. If it is an object from their childhood ask the students if they still value it as much and record responses.
- c) Ask the students what actions they took because they liked the object so much (eg, told their friends, collected more of them etc). Discuss the students' responses and prompt them to reflect on how the action that they took as an individual influenced the decision of others and the market. Their buying power influences others.
- d) Have the students complete the left side of the **How do I influence the market?** graphic organiser. The market can be simply defined as what is bought and sold. Discuss and share responses.
- e) Ask the students to bring in or share stories about a product that they really wanted to buy but once they had purchased it were disappointed. Brainstorm with the class why they were disappointed with their purchase and what they did about it? Who did they tell? Had they checked out the product before they bought it? Was it an impulse buy or something they planned to buy?
- f) Ask the students to consider the following **What a disappointment!** scenario.
- g) Ask the students to complete the right side of the **How do I influence the market?** graphic organiser, and share ideas about action with peers/group.



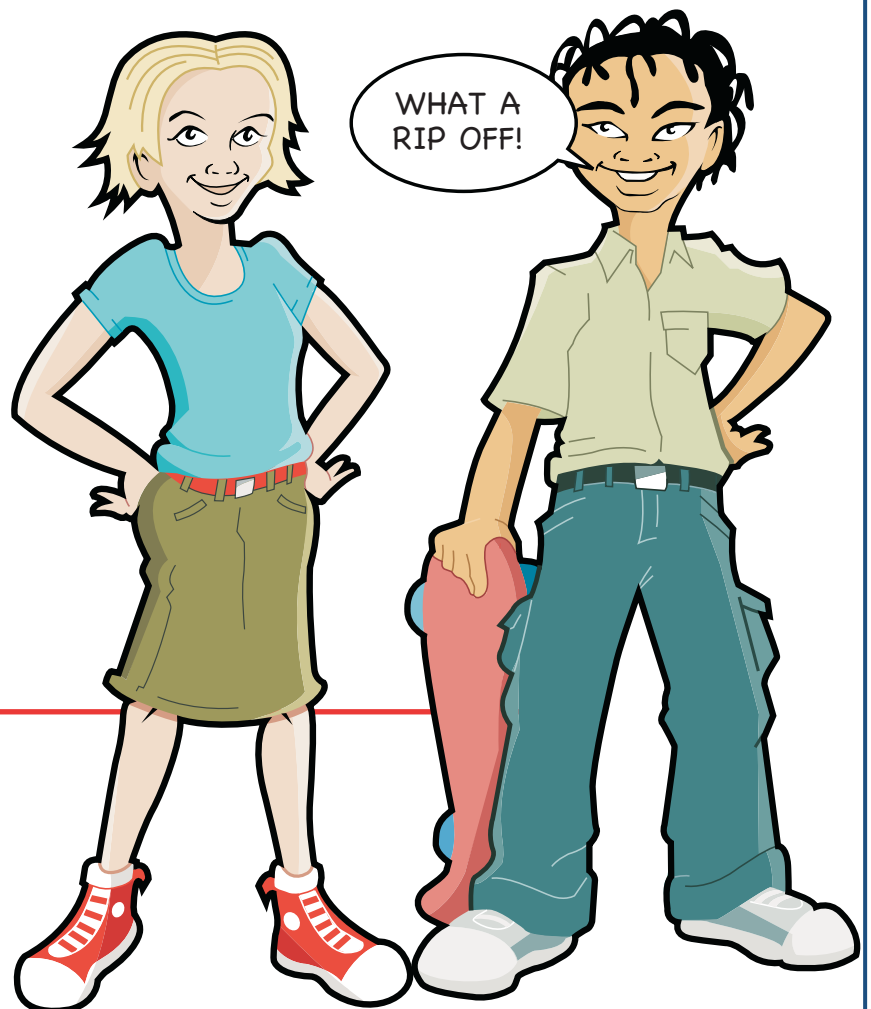
## What a disappointment! scenario

Joe wanted to buy a present for his younger brother. He saw a toy advertised in a store. It looked great on the packet and in the in-store promotion. When he bought the toy and took it home he was disappointed. He found that it wasn't as exciting as he had expected it to be. In the advertisements it looked like the toy could walk by itself, but it did not.

Joe decided to tell the shop how disappointed he was with the toy. The shopkeeper showed him the part on the packaging where it said the toy could not walk. Joe hadn't read that bit, so he knew he couldn't exchange it or get his money back, but he was still disappointed with the purchase.

Joe told his friend who wanted to buy a present for his brother and he decided not to buy the toy. Joe found a website from the manufacturer where he could write and give feedback. After school one day, Joe and Vicki wrote a letter and emailed it to the website.

Vicki knew that under the law (the Fair Trading Act) retailers could not falsely advertise goods. Vicki and Joe went back to the store and checked the in-store promotion for the toy. It showed the toy walking. They decided to make a complaint about misleading advertising to the Commerce Commission. While he was at the store Joe saw another great present for his brother, a battery operated remote-controlled car.





# How do I influence the market?



<b>My favourite/treasured purchase ...</b>	<b>A big disappointment ...</b>
What action did you take?	What action did you take?
What action could the class take?	What action could the class take?
What action could a whole school/ community take?	What action could a whole school/ community take?
How did/could your action influence the market?	How did/could your action influence the market?





## Reflection and evaluation

Ask the students to describe:

- ways they positively influence the market (what is bought and sold)
- ways they can take action and negatively influence the market if they are disappointed with a product.

### ACE Consumer unit

Ask the students to reflect on the whole ACE Consumer unit of work and complete these questions:

*Now you are an ACE consumer, how does it change your actions as a consumer?*

*What do you think are the attitudes and actions of an ACE consumer?*

