

A SYNERGISTIC APPROACH TO CONSUMER
EDUCATION:
MEETING THE NEEDS OF THE 1990s

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Careful observation of any gathering of youth today provides a picture of considerable contrast and diversification. Differences in physical appearance, emotional maturity, and social behavior are readily apparent. But, there is one underlying commonality that can be observed in almost any group of youth--premature affluence. Name brand clothing, footwear, accessories, as well as other possessions are displayed proudly and can be often overheard as the topic of their conversations. Conspicuous consumption of personal items has become an integral part of the identity and self-esteem of youth in the 1990s.

After making these observations, educators have to ask themselves if students are being adequately taught to make wise consumer decisions. Unfortunately, results of the recent "Student Consumer Knowledge" test suggest that high school seniors often lack the preparation necessary to become effective consumers after graduation (Consumer Federation of America & American Express Company, 1991). A select group of experts from academia, business, government, and the consumer movement developed the test that included 52 multiple-choice questions covering a range of topics on essential consumer subjects such as food purchases, home rentals, credit, checking, savings, auto purchases, and auto insurance. The randomly selected teenagers tested ($N = 428$) were able to answer only 42% of the questions correctly.

These results clearly send a message; current levels and methods of consumer education are not adequately meeting the needs of young consumers in the 1990s. Still, public schools do not bear the sole responsibility for this inadequacy or the possible remedies for the problem. Instead, a synergistic approach with educators, businesses, parents, and government agencies working together to address consumer literacy should be explored.

Purpose

The purpose of this paper is two-fold. First, the author strives to create a visualization of the youthful consumer of the 1990s to document the educational needs of the childhood and adolescent stages in the consumer life cycle. Second, opportunities for governmental agencies such as the Cooperative Extension Service to work collaboratively with educators to enhance consumer education will be discussed.

Youthful Consumers

The last decade has proven to be a very complex time in which to live. Society has undergone many changes with a future promising many more, not the least of these being dramatic transformations in the marketplace. Children, as well as adults, have had to learn to function within this dynamic environment. In many ways, members of the "post-boomer" generation have used the changes in the marketplace to their advantage. Consumerism has become a key coping strategy used by youth to defend their right to subsistence and maintain a modicum of self-respect (Ehrenreich & Nasaw, 1983).

Today's children are becoming ardent consumers at a very early age, making real purchasing decisions with real money ("Kid\$ Pack," 1990). Being a child consumer isn't an accident in our society; it's a requirement. Children learn consumer roles from the time they still sleep in a crib, just as they are taught language, movement, and toilet habits (McNeal, 1987). Consumer education opportunities must therefore be initiated early enough for positive consumer skills to be first learned and then reinforced throughout the formative years, helping children to grow into functioning, competent, adult consumers.

Children as Consumers

Many children are members of a new demographic population known as SKIPPIs, School Kids with Income, Purchasing Power, and Influence ("Kid\$ Pack," 1990). Today's children receive more money at a younger age than children in the past, and their incomes rise markedly when they enter elementary and middle school. Children

aged 4 to 12 averaged a weekly income of \$4.42 or \$229.84 a year in 1989. This amounted to almost \$9 billion worth of purchasing power, all of which was purely discretionary (McNeal, 1990).

Children visit stores on their own before they enter grade school. Half of all 6-year olds make purchases from at least one store a week. About three-quarters of 7- to 9-year olds make independent trips to stores, visiting an average of two stores a week. By age 10, the average child makes about five visits a week to five different stores or 250 store visits a year (McNeal, 1990).

Most of these children live in single-parent households or in households where both parents are working. They receive money not only as gifts, but have earned income as well. Consequently, today's kids are growing up with more money and responsibility than previous generations. Many children have responsibilities at home such as cleaning the house, shopping for groceries, and in many cases, preparing the family meals.

How do children spend the money they receive? Nearly 25% of kids empty their piggy banks to buy snacks ("Kid\$ Pack," 1990); the rest of their money is divided among recreation, clothing, shoes, and savings. The biggest portion of children's recreation dollars is spent on video games. In 1989, kids spent over \$10 billion on such games, including more than \$7 billion in video arcades and the remaining \$3 billion or so on video games and associated gear for the home (Newcomb, 1990).

Kids spend almost \$700 million a year on clothing. The clothes they buy with their own money are often particular styles or brands that parents consider too expensive. Other frequent purchases include movies, spectator sports, live entertainment, and the souvenirs purchased at these events. Children also purchase electronic equipment (including telephones), fragrances and cosmetics, cassettes and compact discs, movie rentals, stamp and coin collections, and some mail-order purchases (McNeal, 1990).

Teenage Consumers

"More and more teens go to school by day, work by night, and spend on the weekends" ("The Power," 1990, p. 26). In 1991, teens spent \$82 billion just on personal day-to-day needs and wants

(Waldman & Springen, 1992). Teenage Research Unlimited's recent research of 2,000 teens (aged 12 to 19) revealed that teen car ownership is up nearly 13% for new vehicles and 9% for used cars when compared to 1989 levels. Nearly half of all teens own their own television sets, compared with just 29% a decade ago. In addition, the Rand Youth Poll found that 20% of teens own video cassette recorders ("The Power," 1990).

Teen spending totals continue to increase despite a decrease in the teen population. Three reasons cited for this phenomena are: (a) increased allocations from parents, (b) increased earned income, and (c) increased spending of family income by youth. Teenagers are getting more money from their parents. Many affluent families are having only one or two children, which may mean that there is more money to give or spend on each child (Newcomb, 1990). Many single parents and two-career families, who have less time to spend with their children, may try to substitute money for family time and lavish gifts on their children to make up for their absence (Silver, 1989).

Youth are working more than ever; their smaller population means greater job availability and higher wages. Teen earning power increased from \$65 billion in 1986 to \$95 billion in 1991 (Waldman & Springen, 1992). Since a major portion of teen's income is discretionary, they may develop a distorted view that makes financial management difficult when they must stretch income to provide for the necessities of life and wants.

Teenagers are also spending more of their households' money. Working parents are so time-pressed that they cede more influence on purchases to their children (Power, Atchison, DeGeorge, & Foust, 1991). Young people are often seen making basic household purchases as well as buying items that only increase living comfort. A Teenage Research Unlimited survey revealed that 9 out of 10 teenagers shopped for themselves or their families in 1988, spending \$47.7 billion on groceries and household products (Blumenthal, 1990).

Kidfluence

Besides their own consumption, children and teenagers are exerting an enormous amount of influence on family spending. So much influence, in fact, that a new word has been coined for this phenomena - Kidfluence (Kid\$ Pack, 1990). Children have input into

family purchases including computers, automobiles, televisions, VCRs, high-tech audio equipment, groceries, restaurants, toothpaste, and videotapes. Kidfluence is also exhibited in decisions on family vacation plans and entertainment activities. McNeal estimates that 4- to 12-year olds alone influence adult purchases of \$130 billion of goods and services annually (Power, et al., 1991).

This phenomena has not gone unnoticed by marketers. The marketing slogan of the 90s is "You gotta get to them young!" Promotional campaigns and commercial messages permeate most childrens' waking hours. Many messages are hidden, appearing to be a school lesson, an entertaining movie, a magazine game, or puzzle. Advertisers are attuned to children's developmental stages, to their needs for peer approval, status, and independence. Advertising pressure on children has even invaded their classrooms, an arena once considered commercial-free. According to a Consumer's Union report, marketers have hidden advertising messages in the free teaching materials they distribute in schools, as well as in commercially sponsored kids' clubs, celebrity product endorsements, and a multi-billion dollar licensing market. Young people, already bombarded by an escalating array of undisguised advertisements, do not have the experience necessary to deal with these subtle sells (Consumers Union, 1990).

Professionals working with youth audiences need to be as attuned to the interests, needs, and consumer characteristics of this special group of consumers as marketers have been. Children are interested in money and consuming. It is time to capitalize on this interest and maximize the teachable moments.

Opportunities to Enhance Consumer Education

If the ultimate goal of education programs is to enable children to grow into functioning, competent adults, then youth programs must include consumer education. A child is not born with innate consumer skills, but must be taught to function in the marketplace. Children receive informal consumer education from various sources such as parents, friends, salespeople, advertisements, labels, magazines, government agencies, businesses, and consumer groups (Monsma, 1980). "Consumer education, if appropriately and systematically introduced into the lives of children, holds the key to children

becoming effective consumers in our type of political, social, and economic environment" (McNeal, 1987, p. 158). Since informal consumer education begins in infancy, formal programs must also be initiated enough so positive behaviors can be learned and reinforced before negative habits are deeply ingrained.

The Cooperative Extension Service currently has the potential to significantly impact the effectiveness of consumer education not only through its traditional methods of informal education experiences, but also by providing training for professionals who work with youth audiences. Extension specialists and field staff need to share their expertise and educational materials with others who can replicate these learning experiences in other learning environments. Educators and other professionals need to network with the Cooperative Extension Service in their state to facilitate this synergistic effort.

Consumer Judging

One way that Extension educators can effectively influence the informal education of youthful consumers is through the Consumer Judging program. Consumer Judging is a 4-H consumer education activity that teaches decision-making skills in the marketplace. By participating in the project, 4-Hers learn to: (a) make knowledgeable, rational decisions when purchasing goods and services; (b) select and use goods and services to meet personal needs and reflect lifestyles, goals, values, and resources; (c) act as an informed citizen with an understanding of consumer rights and responsibilities; and (d) communicate justification of consumer choices and decisions in a logical and articulate manner.

The judging activity consists of hypothetical buying situations that identify four alternative products or services available for evaluation. Situation statements describe the problem, the intended use, resources available, personal preferences, and needs. These statements are then used to identify the standards to consider in judging the classes. Participants judge four different classes of items, rank the alternatives in order of best to worst choice, and discuss the reasons for their rankings of one of the four classes.

The first South Carolina 4-H State Consumer Judging Contest, held in August of 1991, attracted 175 youngsters. These participants judged consumer goods and services such as notebooks, boxer shorts,

sports drinks, checking accounts, and fire extinguishers. In 1992, the number grew to 186 participants who judged classes that included credit cards, smoke alarms, socks, frozen dairy desserts, and calculators.

Teachers could use this activity or a variation of it in their consumer education lessons. In South Carolina, individual students or teams of class members are eligible to compete along with 4-Hers in the annual state contest. Educators may request copies of Consumer Judging materials from their local extension agent, however not all states sponsor this 4-H activity.

Inservice/Training

The influence of educators on the development of the young consumer cannot be overestimated (McNeal, 1987). Thus, the opportunity exists for the Cooperative Extension Service to provide educational programs to other professionals working with youth audiences through inservice education. In South Carolina and many other states, there is a dearth of institutions of higher education that offer consumer economics or consumer education courses. Inservice education for public and private school educators presents the opportunity to update knowledge, provide resources and teaching techniques, and to market Cooperative Extension programs like Consumer Judging.

In June of 1991, the Greenville County School District in South Carolina contracted with Clemson University to offer a 3-credit graduate course entitled "Educating Youthful Consumers." The author, an Extension Family Resource Management Specialist, taught the course to 25 teachers who had teaching responsibilities ranging from kindergarten to grade 12 in various subject matter areas including literature, history, social studies, business education, keyboarding, math, and home economics. The objective of the course was to provide a rationale and specific aids for the professional wanting to begin a consumer education program or to incorporate consumer lessons into existing courses. The course included resources, curriculum guidelines, and teaching strategies that a teacher could easily adapt to the classroom. Participants were required to create unit or lesson plans for use in their classrooms in the following academic year. The evaluation of this course by participants was excellent. One

teacher commented, "I would like to see this course be made mandatory for teacher certification for all teachers, even beginning teachers."

Even though this inservice training effort was very successful, marketing Extension programs to educators can be a difficult task. The Cooperative Extension Service can be an invaluable resource for teaching curricula, materials, and activities. Awareness of this resource is just the first step. Effective networking is the key to enhancing consumer education programs.

Summary

Since children today receive more money at a younger age than children in the past, and have incomes that rise markedly when they enter elementary and middle school, consumer education of youth must be given a priority in both formal and informal education programs. Programs offered by the Cooperative Extension Service can contribute to the systematic delivery of learning experiences in consumerism. This move toward a more synergistic approach to consumer education will have a far greater total effect on achieving consumer literacy than the sum of all individual efforts.

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Note

A single copy of *Consumer Judging Manual* may be requested from the author at the above address.

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