

GCSE: CONSUMER AWARENESS

HOME ECONOMICS

ST MALACHY'S COLLEGE

NAME:

TEACHER:

CLASS:



**year 12 Evidence of cooking at home: to be completed by Wednesday
5th November**

Date	Dish Made	Outcome	Signed by pupil	Signed by parent/ guardian	Signed by teacher

CHAPTER TEN: BEING AN EFFECTIVE CONSUMER



Being an Effective Consumer



In this unit we are going to look at being a consumer, how we are influenced to shop and our rights and responsibilities. We will look at the barriers people face and how we are protected by law.

NAME: _____

CLASS: _____

BEING AN EFFECTIVE CONSUMER

LEARNING INTENTION:

Be able to understand how to be an effective consumer through knowing your rights, responsibilities and laws that protect you

SUCCESS CRITERIA:

Identify who is a consumer

Define the rights and responsibilities associated with being effective consumers

Be able to explore barriers that prevent individuals being effective consumers and how to overcome them

Identify the laws that protect us and be able to justify how they do

WHO IS A CONSUMER?

In order to arrive at a definition of the word “consumer”, consider the following:

- Count the material resources you are using for this lesson _____
- List all the things you have used during the last three hours:

_____	_____
_____	_____
_____	_____

What do you require for the sports you play at school, or the hobbies you enjoy?

Create your definition of the word “consumer”

A “consumer” is really a “user”

We use **goods** and **services** every day from either the **public sector** or **private sector**.
The following are examples of other names for consumers.

We travel on an aeroplane – An air passenger

We go to a hospital appointment – An NHS patient

We use electricity – An electricity customer

We travel home on the bus – Public transport passenger

We go out to have a meal – Restaurant diner

We attend school – A school pupil

A consumer is anyone who buys a product, or uses a service, in either the public or private sector

CONSUMER RIGHTS AND RESPONSIBILITIES

RIGHTS	RESPONSIBILITIES
<ul style="list-style-type: none">• Right to information, which is clear, reliable and available in alternative languages and formats.• Right to fair treatment. All groups should be equally well served.• Right of access to services, which are inclusive, user-friendly, easily understood and welcoming.• Right to choice (usually related to competition in the marketplace), so consumers can compare and choose the best deal for their need.• Right to redress. Support is given for consumers who need to make a complaint, especially if they don't have the time or skills to do so.	<ul style="list-style-type: none">• Responsibility to read information carefully (including the small print)• Responsibility to know their consumer rights.• Responsibility to complain effectively.• Responsibility to be an ethical and environmentally aware consumer.• Responsibility to manage and budget money wisely and to avoid unnecessary and wasted buying.

BARRIERS THAT PREVENT INDIVIDUALS FROM BEING EFFECTIVE CONSUMERS

❖ Disability (physical and learning)

- Physical barriers
- Perceived barriers
- Hidden disabilities
- Socially isolated

“Disabled people have a fear of complaining which is related to their low levels of confidence”. – Quote from Consumer Proficiency research.

❖ Age (younger and older)

Age – older consumer

Age – Older Consumers

The Consumer Council

Those who can't jump into a car are losing out and are at the mercy of family and friends, home help or deliveries.

Those 'buy one get one free' are no good for me because by the time I use one, the other is out of date.

Cooking information is usually small and virtually unreadable, very difficult to compare like with like.

Quotes from: Silver Service? Are supermarkets meeting the needs of older consumers? Consumer Council in partnership with Age Concern, November 2007

- Older people in Northern Ireland are the least likely to shop online.
- Elsewhere in the UK, the number of over 55's buying online has more than doubled in the years 2004 – 2006 from 1.4. million to 3.4 million (Verdict, UK e-Retail 2007).

Age – Younger consumers

- Young people are less well informed about their rights (57 per cent compared to 63 per cent average)
- They are least likely to take further action if unhappy about goods or service (55 per cent compared to 64 per cent)

- Young people were the least likely to be satisfied with the way their complaint was handled.
- Three quarters of young people and adults believe shops treat young people differently to adults
- One in four felt that shop staff did not act in a respectful way to young people

❖ **Ethnicity (language and culture)**

- Language barriers
- Prejudice
- Cultural differences
- Social isolation

❖ **Knowledge (education, numeracy, literacy)**

In general, consumer skills remain less well developed among:

- young people (15-24)
- older people (55+)
- those living on a low income

Consumers in rural areas tend to be less confident about expressing their consumer rights and taking further action and were less aware of where to go to for help and advice.

Research in 2003 also showed consumers from minority, ethnic and disability groups and those living in areas of social need having fewer consumer skills.

❖ **Resources (location – rural or urban, time, finance)**

Time	Money	Location
Working hours	Low income	Rural
Dependents	Access to credit	Food deserts
Lack of time to do 'research'	Financial capability	Transport

Consumer Proficiency

Consumer proficiency includes knowing about your consumer

Consumer Proficiency

Consumer proficiency includes knowing about your consumer rights and responsibilities; being aware of where to find expert consumer advice; and being able to deal confidently with issues, such as complaining about faulty goods or poor service and making your voice heard.

The Consumer Council for Northern Ireland has found that, in general, consumer proficiency is less well developed among young people and older people. A 2003 study showed that people from minority, ethnic and disability groups and those living in areas of social need also tend to be less consumer proficient.

In the following scenarios identify the barrier(s) that exists to being an effective consumer.

Tim who lives in Belfast did not know that a CAB office was available in his local town

An 80 year old woman who bought a faulty kettle accepted the salesman in Curry's saying they did not give refunds and she would have to keep the kettle

The Polish worker did not know who to go to when he was overcharged by his electricity company. _____

The blind man could not read his Shoppers' Rights Card

The teenager who lived in a remote part of the countryside could not use his internet easily as he did not have access to broadband _____

CONSUMER LEGISLATION

The Sale and Supply of Goods Act 1994 **(as amended by the Sale and Supply of Goods to Consumer Regulations 2002)**

Main Features

You are entitled to expect that any goods you buy from a trader are:

- ❖ Of satisfactory quality
- ❖ Fit for any particular purpose made known to the seller
- ❖ As described.

Protection for consumers

If you've bought something not of satisfactory quality, not fit for a particular purpose or not as described, the law gives you a number of remedies.

If you complain to the retailer within a reasonable time, you are entitled to a full refund. However, the law does not say what a 'reasonable time' is. Each case may be different. So the sooner you make your complaint, the better.

Once you go beyond a reasonable time to reject the goods, you are only entitled to claim compensation. You can also claim for any consequential losses that result directly from the goods being unsatisfactory.

You can also ask, in the first instance, for a repair or replacement. Such repair or replacement has to be carried out or provided within a reasonable time and without any great inconvenience to you. The retailer has to bear any costs, such as transporting the goods.

However, the retailer can refuse either one of these remedies, if it can be shown that the other one would be less costly.

If a quick and trouble-free repair or replacement is not possible, you can ask for a full or part refund. Any benefit you may have had from the goods already will be taken into account in deciding the amount of the refund.

Points to remember

You have no real grounds for a complaint if you:

- ❖ Were told about the fault before you purchased the item
- ❖ Examined the item when you bought it and should have seen the fault
- ❖ Made a mistake when purchasing the item
- ❖ Simply changed your mind about the item.

The Consumer Protection (Distance Selling) Regulations 2000

Main features

These regulations give consumers rights when they shop via the internet, TV or telephone or from a catalogue or magazine.

Consumers are entitled to clear information – before they order – about:

- the supplier's name/address
- cost of the goods
- delivery costs and arrangements
- how to pay
- how to cancel.

Protection for consumers

These regulations entitle customers to cancel an order within seven days working days (the first day being the day after you receive the goods); and to a full refund if the goods or services are not delivered within 30 days.

Points to remember

- Certain items, such as perishable goods (e.g. flowers, fresh food) and personalised goods, cannot be returned.
- If a consumer has bought a service, it cannot be cancelled once it has started.

The Unfair Trading Regulations 2008

(This legislations replaced the Trade Descriptions Act 1968)

Main Features

This legislation introduces a general duty on businesses not to trade unfairly.

It helps to clarify consumers' rights and facilitate cross-boarder trade by establishing common EU-wide rules against aggressive or misleading marketing.

The regulations list 31 banned activities, which include:

- Visiting a consumer's home and refusing to leave until having a signed contract
- Telling a consumer that if he or she does not buy, the trader's job or livelihood will be in jeopardy.

Protection for consumers

Consumers are given the same protection against illegal business practices and rogue traders whether they buy from the shop around the corner or from a website in another member state of the EU.

If a trader misleads, behaves aggressively or otherwise acts unfairly towards consumers, the trader may face action by enforcement authorities.

REVISION QUESTIONS ON CONSUMER LEGISLATION

1. Jane bought a new washing machine some months ago. Since last week it has stopped working.

Write down **two** steps Jane could take if the shop refuses to help.

(i) -----

----- (2)

(ii) -----

----- (2)

2. Explain the importance of the Sale and Supply of Goods Act 1994 in protecting the consumer

----- (4)

3. John buys a new toaster. On opening the box, he discovers that the toaster is white not chrome, as stated on the outside of the box.

Describe the steps that he should follow to resolve the problem.

----- (5)

- (ii) Name the Act that protects John's rights in this case.

----- (2)

4. (i) Mark wants to buy an electric kettle. Explain three factors he should consider before buying the kettle.

Factor 1 -----

----- (2)

Factor 2 -----

----- (2)

Factor 3 -----

----- (2)

- (ii) Explain the importance of the Sale and Supply of Goods Act 1994 (as amended by The Sale and Supply of Goods to Consumers Regulations) 2002 to Mark when buying the kettle

----- (6)

5. (i) Name the Regulations that protect you if you buy goods using interactive TV.

----- (2)

- (ii) Under these Regulations state 4 pieces of information that must be provided before placing an order.

----- (4)

(iii) State 3 items which are exempt from these Regulations

----- (3)

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6. **State and describe** the 4 main areas of the Unfair Trading Regulations 2008.
Give an example in each area.

(i) -----

Example ----- (3)

(ii) -----

Example ----- (3)

(iii) -----

Example ----- (3)

(iv) -----

Example ----- (3)

(b) Name the **two** organisations who enforce these Regulations

----- (2)

CHAPTER ELEVEN: WHAT INFLUENCES SHOPPING?



What Influences Shopping?



In this unit we are going to look at the different factors that influence us when shopping. We will look at the shopping options available, impact of marketing and changing lifestyles on consumer choices.

NAME: _____

CLASS: _____

What influences shopping

LEARNING INTENTION:

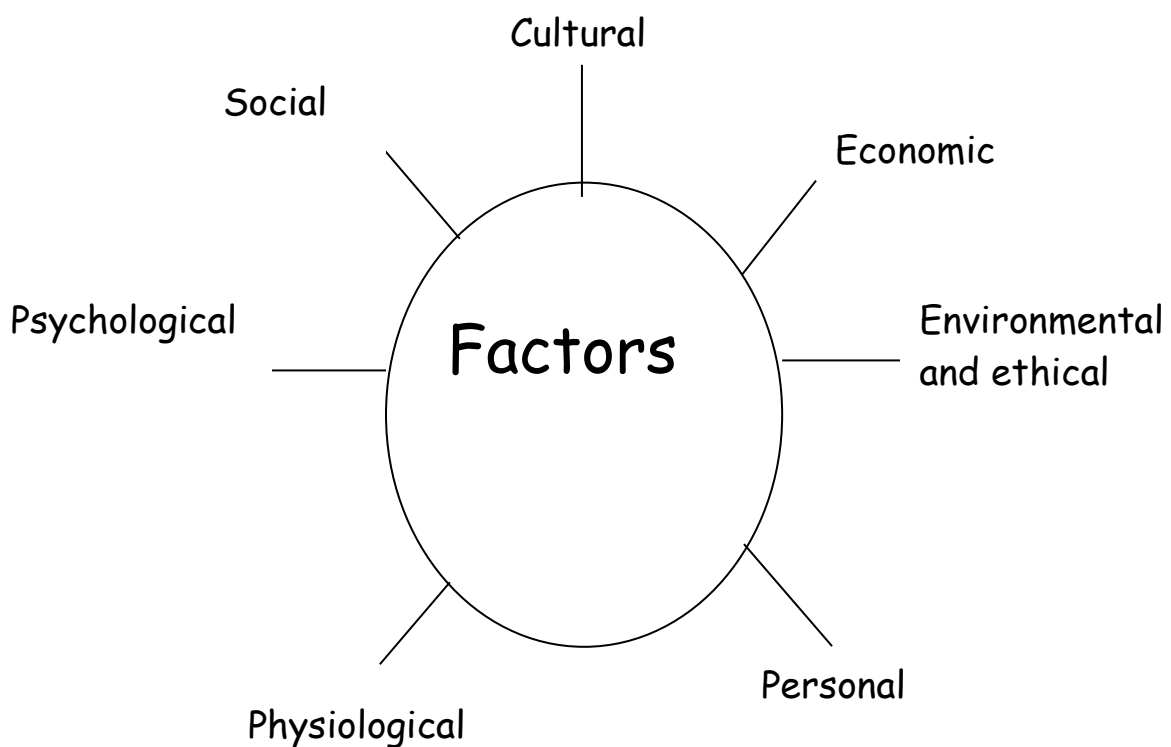
Understand what factors influence the choices people make

SUCCESS CRITERIA:

Identify the different factors

Be able to discuss and evaluate how they affect people

The choices people make about what to buy are influenced by various factors.
These factors are:



Cultural Factors

Culture is one of the most basic influences on an individual's needs, wants, and behaviour. Culture is described as the beliefs, customs and behaviour of a particular group of people. The culture of a group of people can determine what they wear and eat, how they speak and where they live and travel.

Can you think of a group of people that have such strong beliefs that their buying behaviour is influenced?

Example:

Within the Hindu religion the cow is sacred and cannot be eaten but other meats are permitted for non-vegetarians. This means that Hindus will not buy red meat



- _____

Culture can also be defined by the customs and habits of a particular country. Have you ever been to a restaurant on holiday and eaten or been offered something that you wouldn't normally find on a menu back home? Give examples of this

Eg. Snails in France



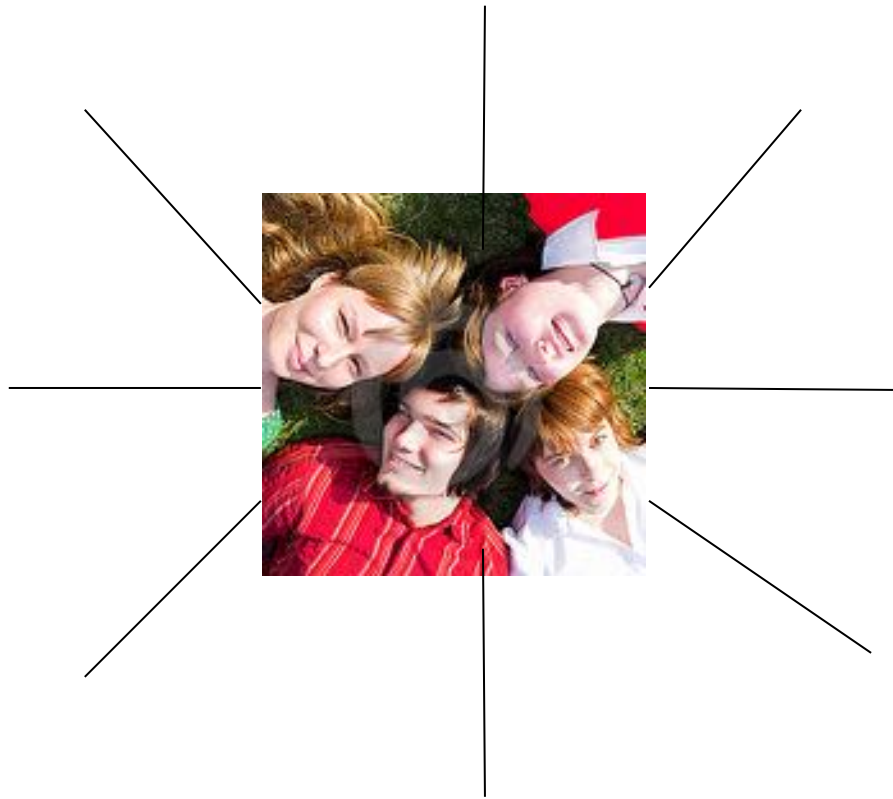
- _____
- _____

Class discussion

You are an adolescent living in Northern Ireland. You are therefore a member of the Northern Irish culture and a member of the teenage culture. How does this affect your shopping habits?



Think about the clothes you wear, the food you eat and the gadgets you buy



Economic Factors



Economic factors have a huge influence on shopping. During periods of economic growth, retailers make large profits as people shop more frequently and often buy on impulse

Example:

Many people buy luxury items and go on holiday, buy cars or go out for dinner more when consumer confidence is high.



During periods of economic decline consumers must ensure that they meet their needs before they spend on wants.

Example:

Many people will cancel their gym membership or 'shop around' for the best deals during periods of economic decline.



Activity

Write a list of 'top ten tips' to help consumers get value for money when shopping for goods and services.



1. Buy own brand products in supermarkets, such as Tesco's baked beans rather than Heinz

2. _____

3. _____

4. _____

5. _____

6. _____

7. _____

8. _____

9. _____

10. _____

We are in a period of economic decline. How does this influence your buying behaviour? For example do you shop in 'the pound shop' rather than supermarkets when buying toiletries?

Class Discussion

The CastleCourt in Belfast is opening its first pound shop. Give reasons why people would and would not shop in a pound shop.

Would:

Would Not:



Environmental and Ethical Factors

We have a responsibility to consider environmental and ethical issues when buying products or using services.



Our environment is the external conditions surrounding us which we must try to protect

Ethics is all about fairness and knowing right from wrong



Can you think of another 2 environmental and ethical factors that may influence buying behaviour, or influences your personal buying behaviour?

Environmental:

Eg. Use energy saving light bulbs instead of normal light bulbs to save energy

2. _____

3. _____



Ethical:

eg. Are the people making our goods being treated fairly?

2. _____

3. _____

Class Activity



Research fair trade using the website www.fairtrade.org.uk and answer the following questions:

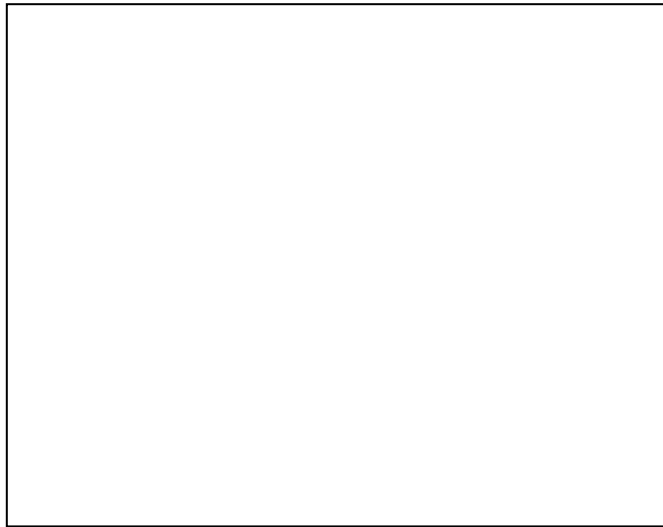
1. Look in the 'frequently asked questions' section and give a definition of fair trade

2. Research the 'Retail products' section and give examples of 5 supermarkets that sell fair trade products and state what these products are

- _____
- _____
- _____
- _____
- _____

3. Have a look in the history section and write down 3 things that have happened this year in relation to fair trade products.

4. Draw and colour in the fair trade mark in the box below



5. Complete the sentence

I would buy fair trade products because _____

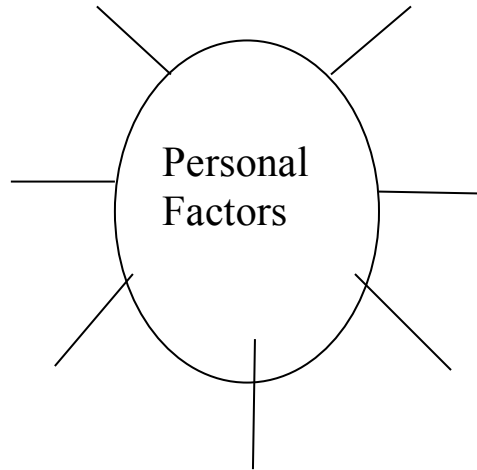


Personal Factors



Shopping decisions are influenced by the consumer's personal characteristics and circumstances. Age, likes and dislikes, occupation, amount of free time and lifestyle influence shopping habits. These factors tend to change at different stages of the lifespan.

Take a minute to think about what personal factors influence your buying habits. Use the spider diagram to record examples



Class Activity

Split into three groups. Each group must complete a shopping profile of a consumer at a specific stage in the lifespan.

Think about:

- What they would purchase
- Where they would purchase the good(s)
- When
- Why
- How would they pay?

Take a note of the groups' findings on the next three pages

Group 1- Full time student with a part time job:

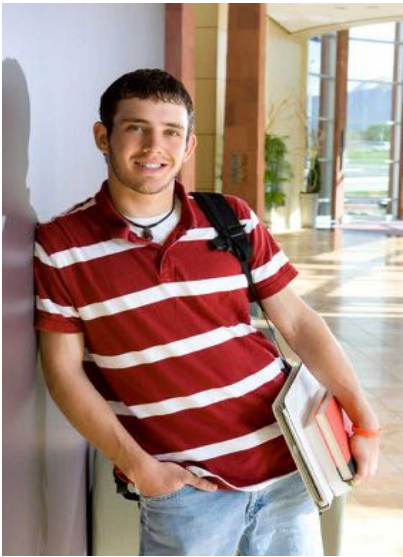
What would he purchase?

Where from?

When?

Why?

How would he pay for the good(s)?



Group 2- Single parent mother with baby

What would she purchase?

Where from?



When?

Why?

How would she pay for the good(s)?

Group 3 – A 70 year old retired grandmother



What would she buy?

Where from?

When?

Why?

How would she pay for the good(s)?

Physiological Factors

Physiological factors relate to the maintenance of the body and the prevention of disease. The influence of physiological factors on shopping depends on consumers' interest and motivation to take care of their well-being.



Example

Someone with a dietary disorder, such as diabetes, is strongly motivated to make healthy choices.

Can you think of any other physiological factors that may influence shopping?

- _____
- _____
- _____

Fill out the table below to show how your shopping behaviour is influenced or not influenced by physiological factors:

Influenced by physiological factors	Not influenced by physiological factors
eg. I buy vitamin tablets to boost my immune system 	I get a take away every Friday night even though I know it is unhealthy 



Psychological Factors



Psychology is the study of the mind. Our attitudes, personality, emotions and body image all inform who we are and what we do.

Example

Someone who is highly stressed may go on a shopping spree to relax. This is where the phrase 'retail therapy' comes from. They may buy lots of chocolate and comfort food to make them feel better.

Case study

1. Tara has just finished her GCSE's and is in a mood for celebrating. What kind of things would Tara buy and why?

2. John is feeling very down in the dumps and a bit depressed because he failed his driving test. What kind of things would John buy and why?

3. Beth is going to her cousins' birthday party tonight. What do you think Beth may buy and why?

Social Factors

The effects that other people have on us are called social influences. We are influenced by our family, friends and many other people and groups. Many shopping decisions are a mixture of social interaction and individual decision-making.

Shops often use social factors in their advertising campaigns eg.

Kate Moss advertises 'Rimmel' make up which may influence many teenagers to buy the products.



Can you think of any shops or brands that use social factors in their advertising campaigns to encourage the consumer to purchase?

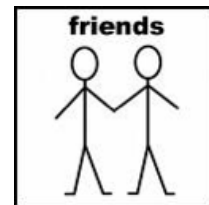
Rank the following individuals or groups that affect your buying behaviour and give an example of how they influence you in the table below. (1-influence you the most, 4-influence you least)

Example

Your friends may influence the brand of clothing you wear.

Individuals/groups	Rank (1-4)	How do they influence you?
Family		

Teachers		
Friends		
Groups we identify with eg. Sports team, church groups		



Revision on factors that influence shopping:

1. List the 7 factors that influence shopping

- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____

2. Culture can be described as the b_____, c_____ and b_____ of a particular group of people.

3.Complete a list of 5 tips to help consumers get value for money when shopping for food

- _____
- _____
- _____
- _____
- _____

4.Give an example of how an environmental factor could influence shopping

5.What does ethical mean?

6.Why should we buy fair trade products?

7.Give 5 examples of how personal factors influence your shopping

- _____
- _____
- _____
- _____
- _____

8.What is the difference between physiological and psychological?

9.The effects that other people have on us are called s_____ factors

Shopping Options

LEARNING INTENTION:

Understand the different options available

SUCCESS CRITERIA:

Identify the different options

Start to evaluate different shopping options for different types of consumers

There is a variety of shopping options available to consumers.



Which shopping option do you use the most and why?

Independent Shops



- What are they?

These are individually owned and operated retail shops.

Can you think of any Independent shops on the Antrim Road?

- Eg. 'Extra Fresh' green grocers
- _____
- _____
- _____
- _____

Write down three advantages and disadvantages of visiting an independent shop in the table

<u>Advantages</u>	<u>Disadvantages</u>
Eg. Offer personal and friendly service	Eg. May be more expensive

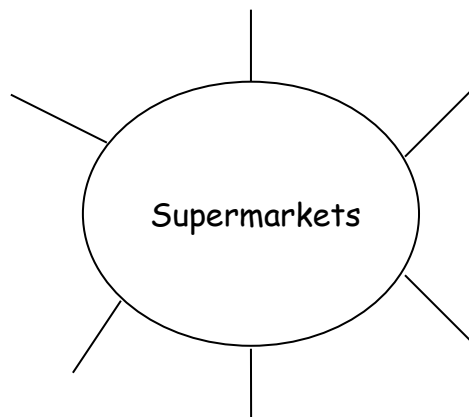
Supermarkets



- What are they?

A large self-service retail market that sells food and household goods

Use the spider diagram to state the supermarkets in Belfast area



What are the Advantages and Disadvantages of shopping in a supermarket?

<u>Advantages</u>	<u>Disadvantages</u>
eg. Offers a wide range of products, services and facilities	eg. They are often busy and large, making shopping time consuming

Internet Shopping

Online shopping is the process consumers go through to purchase products or services over the Internet



Do you use the internet to purchase goods? Give a list of the advantages of this option

Eg. Available 24 hours a day

- _____
- _____
- _____
- _____

Give a list of the disadvantages of internet shopping

Eg. Consumers must have a credit or debit card to buy online

- _____
- _____
- _____

What internet shopping sites are you aware of or do you use?

Internet Site	What can you buy?
ASOS.com	Clothes and accessories

Be aware of internet scams! Look out for:

- Hidden addresses- be aware of traders who try to sell goods or services using an anonymous email address or a post office box number and make it hard for you to find their actual location
- Capital letters shouting out at you- This is suspicious eg. 'HOW TO MAKE £££££'
- Vague references- 'thousands of satisfied customers' may sound impressive, but you're rarely given enough information to check them out
- 'This is not a scam'- Don't fall for this trick
- Promises of instant wealth- If it sounds too good to be true, it usually is
- Hidden expenses- be wary of advertisements promising 'no start up costs' and then asking for a one off fee

Mail Order



This is the buying of goods or services by mail delivery. The buyer places an order for the desired products by phoning or via the internet and the products are then delivered to them.

Give a list of some shops or companies that have mail order catalogues.

- Eg. Next
- _____
- _____
- _____
- _____

What are the advantages and disadvantages of this method of shopping?

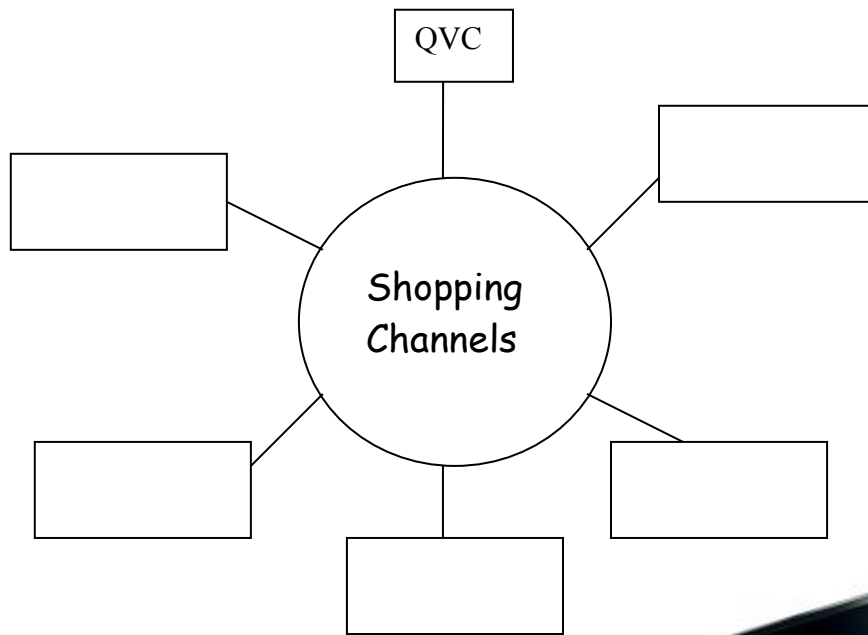
<u>Advantages</u>	<u>Disadvantages</u>
Eg. Convenient for those who have difficulty accessing shops	Eg. It can be difficult to judge quality from a catalogue

Shopping Channels



These are television channels that present shopping related content

Use the spider diagram to write down any shopping channels that you know or use



What are the advantages and disadvantages of this shopping option?

Advantages

Eg. Products can be viewed from the comforts of their own home

- _____
- _____
- _____

Disadvantages

Eg. Can be difficult to determine quality

- _____
- _____
- _____



Markets



Note down two outdoor markets in Northern Ireland:

- _____
- _____

What kinds of goods can you buy from these markets?

What are the advantages and disadvantages of this shopping option?

Advantages	Disadvantages

Case study- Shopping Channels

1. Evaluate shopping channels as a method of shopping for a busy family. The father works 9-5 Monday-Friday, the mother works part time in a primary school and the 2 children are 5 and 10.

Case study-supermarkets

1. An elderly retired couple who live in the town centre are planning to go to the supermarket to buy their weekly groceries. Evaluate this option for them

[illegible]

The Impact of Marketing on the Choice and Management of Resources

LEARNING INTENTION:

The importance of marketing for promoting products/ services

SUCCESS CRITERIA:

Identify the 4 P's of marketing

Evaluate the different selling techniques

Marketing is a communication process through which individuals are persuaded to buy a particular product or service.

Most marketing strategies begin with the principles of the marketing mix or four P's

What are the four P's and what do they mean?

Four P's	What do they mean?

Marketing companies consider the four P's and use this to inform their decisions about the type of marketing strategy they will use to maximise sales.

Advertising

Advertising is a form of communication aimed at consumers. Its purpose is to inform consumers about a certain product or service, and persuade them to buy it? Give four examples of different types of advertisements in the table below

<u>Contexts</u>	<u>Examples</u>
Direct mail	Leaflets, fliers and vouchers

Advertisers carefully select images, language, music and celebrities to make their products appealing to their target consumers. Age is used for targeting purposes on many occasions.

Eg. Breakfast cereals are targeted at children by using animated characters and freebies eg. Coco pops.



The body conscious female market is targeted by using slim models and nutritional facts eg. Special K



Can you think of other products or services that are advertised differently to different age groups and how?

- _____

- _____

Think of a television advert you enjoy and fill in the table below

Name of product or service	
The features of the product or service that are highlighted	
The target audience	
When the advertisement is shown	
What advertising strategies are used eg. Language, music, slogans, images	
How effective is the advertisement in promoting the product or service	

The power of advertising

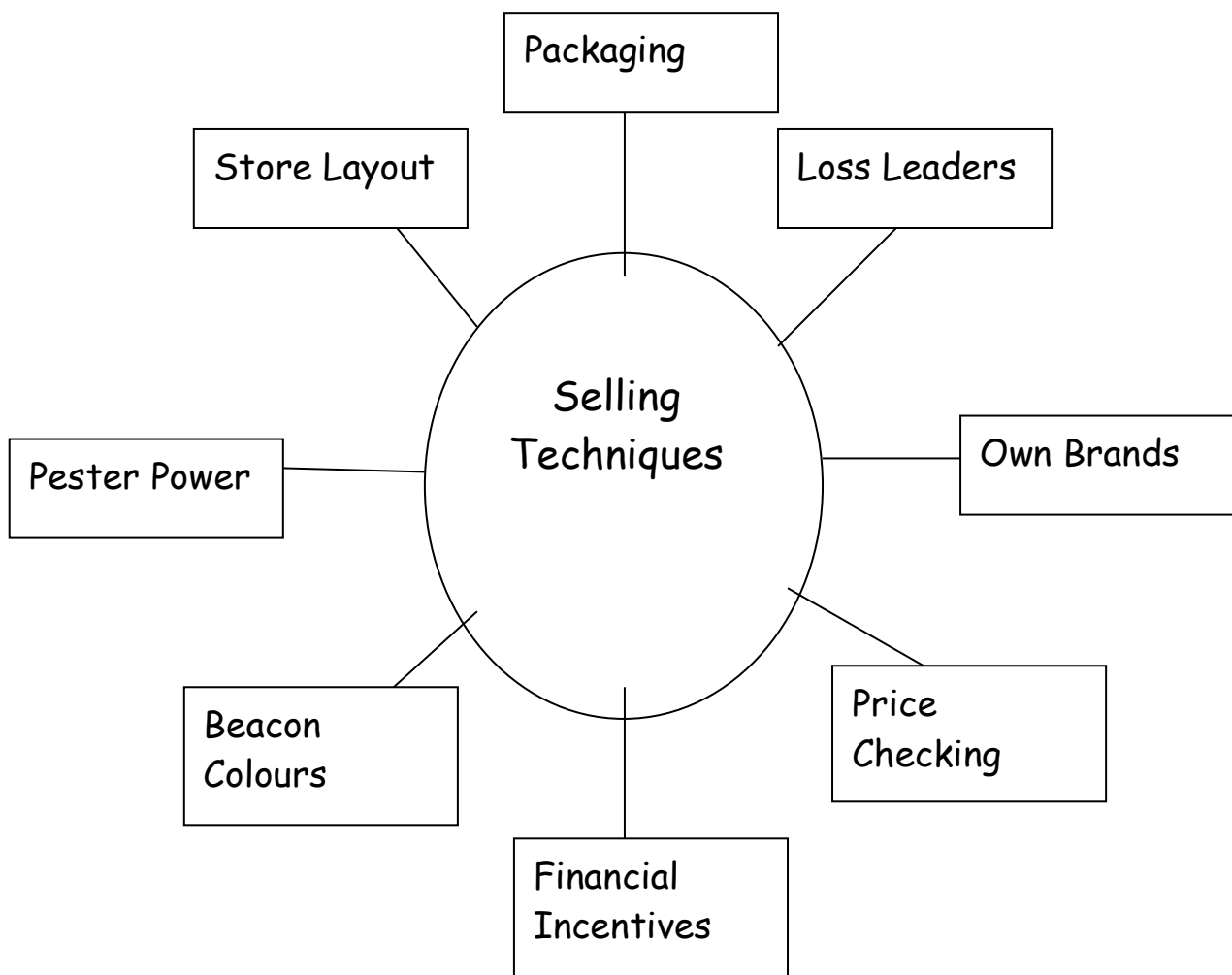
What company uses the following slogans?

1. I'm lovin' it _____
2. Because you're worth it _____
3. Just do it _____
4. Every little helps _____
5. How do you eat yours? _____
6. The futures bright, the futures _____

Can you think of any others?

Selling techniques

Selling techniques are designed to add value to the shopping experience by encouraging consumers to buy from a particular store, try a new product and repeat purchase.



Fill in the following table:

<u>Selling Technique</u>	<u>Description</u>	<u>Example</u>
	Bright, colourful, glossy packaging creates a perception of quality and increases the likelihood of purchase	Celebrations (chocolates)
Loss Leaders		
	Stores offer their own brands as cheaper alternatives to branded products	Sainsburys cornflakes rather than Kellogs cornflakes
Price checking		
	Promotions offered to help consumers save money	
Beacon colours		
	Products are marketed specifically at children, often with endorsements from TV/cartoon characters	
Store layout		

Financial Incentives

All stores compete for business and may use financial incentives to entice people in store. They are promotions offered to help consumers save money.

What are the following types of financial incentives called and describe each:



Type of incentive _____

Description _____



Type of incentive _____

Description _____



Type of Incentive _____

Description _____



Type of Incentive _____

Description _____



Type of Incentive _____

Description _____

Store Layout

A lot of careful planning goes into the design and layout of goods within a store. Market research has shown if goods are put in a certain position and well displayed, then consumers are encouraged to buy more. (see page 103)

Think of 8 ways the layout of a store or supermarket influences what you buy.

1. At the entrance- just inside the entrance there is some clear space, to let customers adjust to the atmosphere. The heating may blow warm air on to customers, which makes them feel welcomed

2. _____

3. _____

4. _____

5. _____

6. _____

7. _____

8. _____

Can you think of any other ways stores and supermarkets make people buy?

Eg. Background music relaxes shoppers while they push their trolley around wide, spacious isles



Revision on the impact of marketing on the choice and management of resources and store layout

1.What are the principles of the marketing mix or the four P's?

- _____
- _____
- _____
- _____
- _____

2.Give 8 examples of where advertising appears

- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____

3.Selling techniques are designed to add v_____ to the shopping experience by e_____ consumers to buy from a particular s_____, try a new product and repeat p_____.

4.List the 8 selling techniques

- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____

5.Fill in the table

<u>Financial Incentive</u>	<u>What are they?</u>
Price Promotions	
Cross-Brand Promotions	
Money-off vouchers	
Loyalty cards	
A gift with purchase	

6.Where are bread and milk usually displayed in the supermarket and why?_____

7.Where are fruit and vegetables usually placed in the supermarket and why?_____

Past exam question

Paper 1 (Higher tier) 1999

Q3. Some supermarket chains in Northern Ireland offer customers 'reward cards'. Analyse two ways this type of card could influence shoppers to use these supermarket chains (12 marks)

[illegible]

The impact of changing lifestyles on the choice and management of resources

LEARNING INTENTION:

Understand the impact of changing lifestyles on the choice and management of resources

SUCCESS CRITERIA:

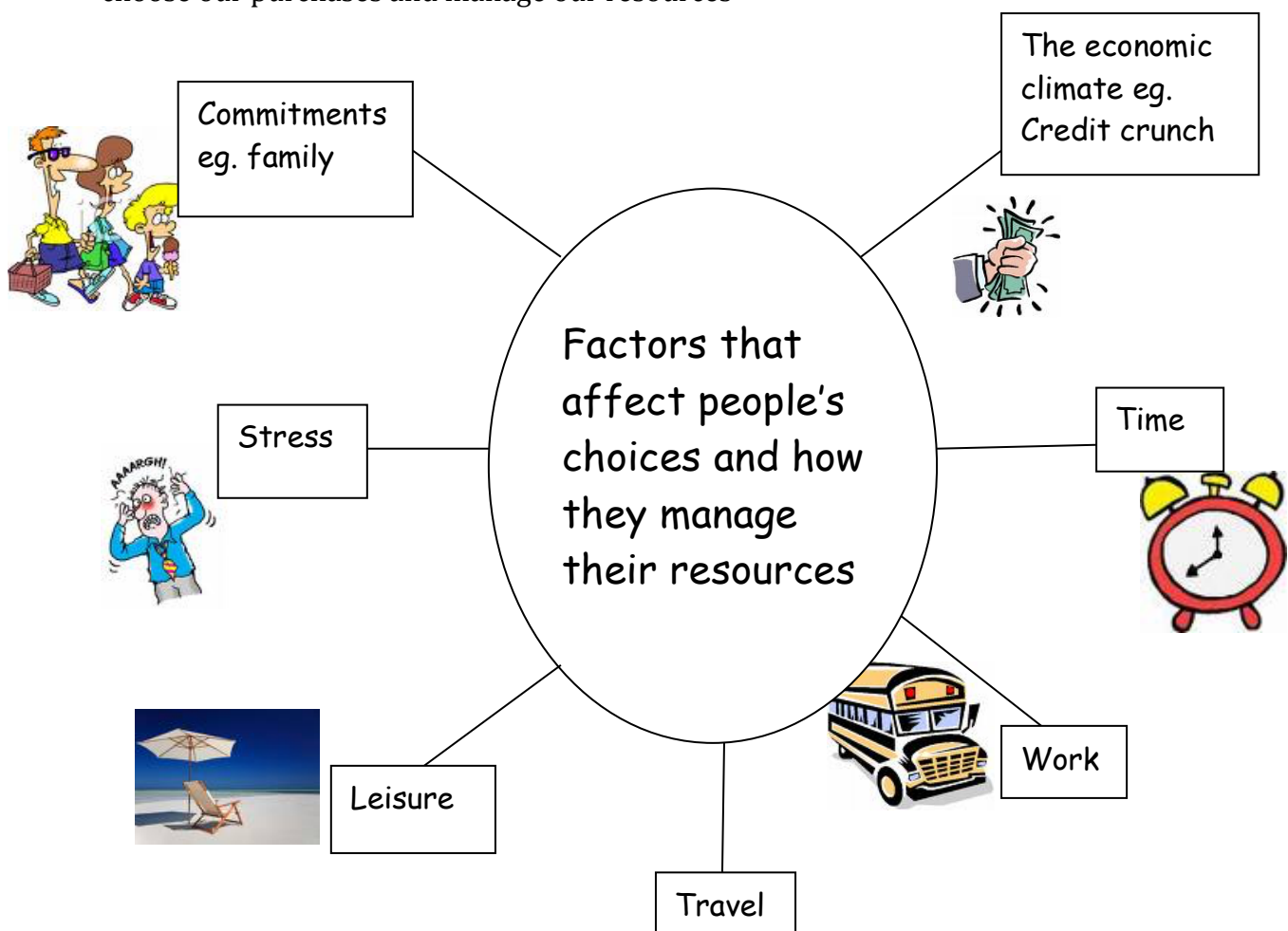
Identify factors that affect people's choices

Evaluate how these factors influence us

The products we buy and the services we use are also affected by changes in lifestyle.

An example of this is if someone loses their job they will have to be careful with their money and only spend on what they need, rather than luxury items such as a car or a holiday

The spider diagram below shows some of the lifestyle factors that influence the way we choose our purchases and manage our resources



Activity

How could people's choice and management of food be affected by the lifestyle factors shown in the spider diagram?

<u>Factors</u>	<u>How factor influences food choice and management</u>
Commitments (eg. Family)	
Economic Climate	
Time	
Work	
Travel	
Leisure	
Stress	

How do you feel moving from one stage of the life span to the next (from child to adolescent) has affected your choice and management of resources?

Eg. Instead buying toys I buy computer games

How do you feel the following factors affect your choice and management of resources now that you are an adolescent

Commitments(family)_____

The Economic climate

Time

Work

Travel

Leisure

Stress

CHAPTER TWELVE: MONEY MATTERS



Money Matters



In this unit we are going to look at the importance of budgeting and different ways of paying for goods. We will look consequences of poor money management and how to manage our finances.

NAME: _____

CLASS: _____

2008-2009

18,000 new
cases of
homeless
people

Mirror
16.11.2010

People in
Northern
Ireland
drowning in
debt.



Headline
News

1/3 of people
only 1 pay
cheque away
from poverty

Reporter

Only ½ people in
NI save on a
regular basis

BUDGETING

LEARNING INTENTION:

Understand the importance of budgeting and be able to make informed decisions when paying for goods or services

SUCCESS CRITERIA:

Define the difference between wants and needs

Understand the importance of budgeting for individuals and families

Be able to evaluate the different methods of paying

What's your money type?

What's your money type?

Quiz

- How would you describe your relationship with money?
a) Love-hate: I love spending it but hate the bills!
b) It slips through my fingers – there's never quite enough.
c) I love money and plan to be seriously rich.
d) More would be nice, but I'm careful with what I've got.
e) I couldn't bear to lose the money I've got.
- How do you feel about borrowing money?
a) If they're prepared to lend it, I'm happy to borrow it.
b) I sometimes have to borrow to get by, which is a worry.
c) To make money, you have to be prepared to borrow some.
d) I'm happy to borrow money to make money.
e) I'd never borrow! Interest is money down the drain.
- If you won £100,000 on the Lottery, what would you do?
a) Blow the lot in a fortnight.
b) Try to save some, but I'd probably end up spending most of it.
c) Start my own business.
d) Save a big chunk and have fun with the rest.
e) Save every penny.
- You're having a birthday bash, what are your plans?
a) Call in a fantastic caterer and crack open the bubbly.
b) Pick up loads of party food from the supermarket.
c) Book a flash restaurant and hope someone will offer to pay for my meal.
d) Use my recipe books to cook up a storm.
e) Ask everyone to bring food and drink to share.
- How does shopping make you feel?
a) It gives me a buzz.
b) Excited but I sometimes feel guilty afterwards.
c) Frustrated that I can't have everything I want.
d) Satisfied at being able to afford what I need.
e) I'm often horrified by the high prices.
- Congratulations, you've had a baby! Here's £50. What do you buy?
a) Designer booties.
b) Nappies.
c) Shares for the baby.
d) Nothing, I'd put it in my baby's Child Trust Fund.
e) Nothing, I'd put it in my own savings account.
- Saving money is:
a) Boring, I want to live for today.
b) Something I know I should be doing.
c) A waste of time. You have to take risks to make real money.
d) Important, I try to put money aside for a rainy day.
e) Very important, I save as much as I can each month.
- How do you feel when your credit card bill arrives?
a) Panicked!
b) A bit worried – it's usually more than I'm expecting.
c) Not worried. I'll clear my debts when I'm earning big money.
d) Fine, I'll pay it all off straight away.
e) I don't have a credit card.
- By the end of the month...
a) I've got no idea what I've spent, but it's bound to be more than I've earned.
b) I'm usually a bit overdrawn, I seem to get by though.
c) I've borrowed from family and friends – but only until things work out.
d) I have enough left in the bank for emergencies.
e) I've managed to save even more than last month.
- What plans do you have for your retirement?
a) I don't want to think about getting old.
b) I know I should have a pension but I haven't got around to getting it sorted yet.
c) I'll retire once I've made a few million.
d) I have a pension and savings plan that I try to stick to.
e) I put every penny I can into my pension and savings.

© nhs.uk/now

The Results!

Mostly As Spendaholic

You know what you want, but can you afford it? Deep down, you know you're heading for financial trouble. The deeper you spiral into debt, the more difficult it will be to get out of it. The thought of taking control of your money may seem scary, but you can do it. Set yourself a monthly budget and stick to it. Changing your ways will be tough, but it will be worth it – you'll be debt-free and in control.

Read more: Brian's story and Coming clean about debt

Mostly Bs Money muddler

You live month by month and it can be a struggle to get on top of bills. As soon as you pay one bill, another one crops up. You probably have more money than you think, but, because you're not organised, some of it slips through your fingers. Your debts are not out of control yet though, so now's the time to take a closer look at your spending. Get organised and set yourself a long-term budget to include savings.

Read more: Budgeting and Smart saving

Mostly Cs Risk taker

You aim high, so you're not afraid to take risks to succeed. You love the thrill of a gamble that might, if it works, make big money. But remember, successful entrepreneurs don't take careless risks. Make sure that you can pay back anything you borrow and don't get greedy. Losing money is stressful. Make life easier by balancing financial risk with financial security.

Read more: The real cost of borrowing and Beat the salesman

Mostly Ds Money manager

You've got your money sorted. You understand that, while you can't always have everything you want, if you get yourself organised you can have what you need. You know that life has its ups and downs and so you save regularly to tide you over when things get tough. You know that if you manage your spending, there'll be enough left over for life's little luxuries.

Read more: Smart saving and James Case's tips

Mostly Es Super saver

Your aim in life is to hold onto every penny you can – even if that means going without some of the things others take for granted. Security is everything to you, so finding a safe place to keep your savings is very important. While you're unlikely to find yourself in financial trouble, you might look back one day and wonder whether things would have been more fun if you'd dared to spend a little more.

Read more: Beat the salesman and Money jargon



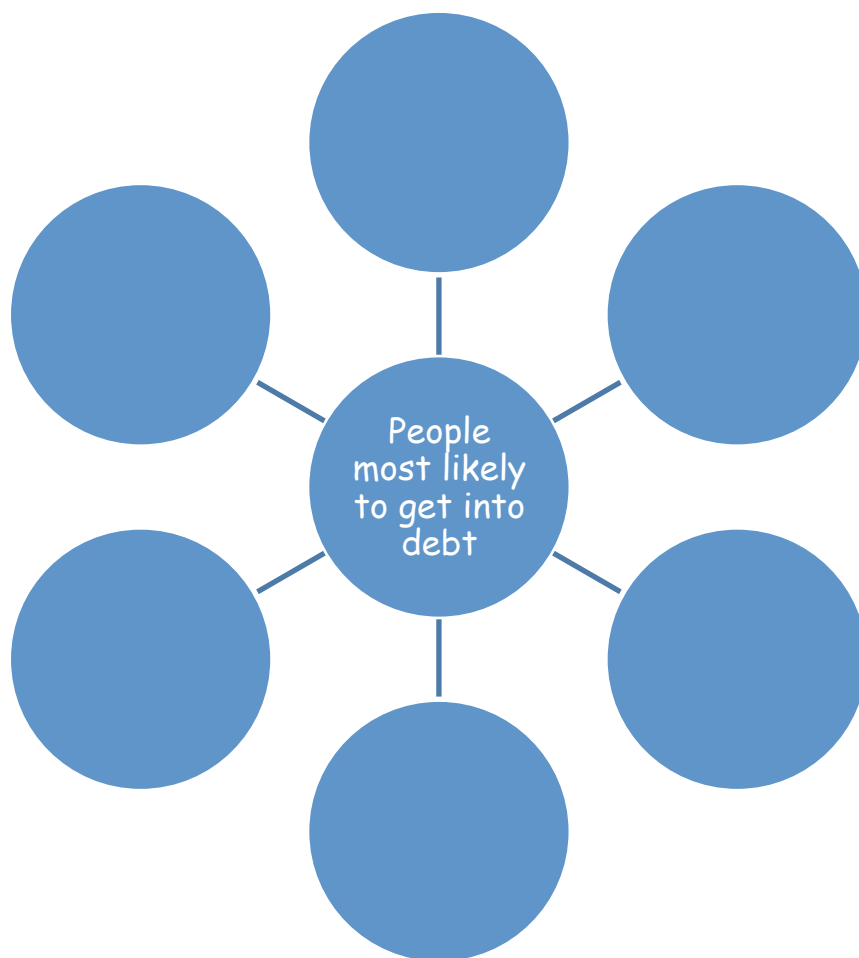
Nina Wadia plays Zainab Masood in EastEnders

Turns out I'm a 'money manager' and you know what they say: better you manage your money than your money manages you.



raw money

Who might have money problems and why?

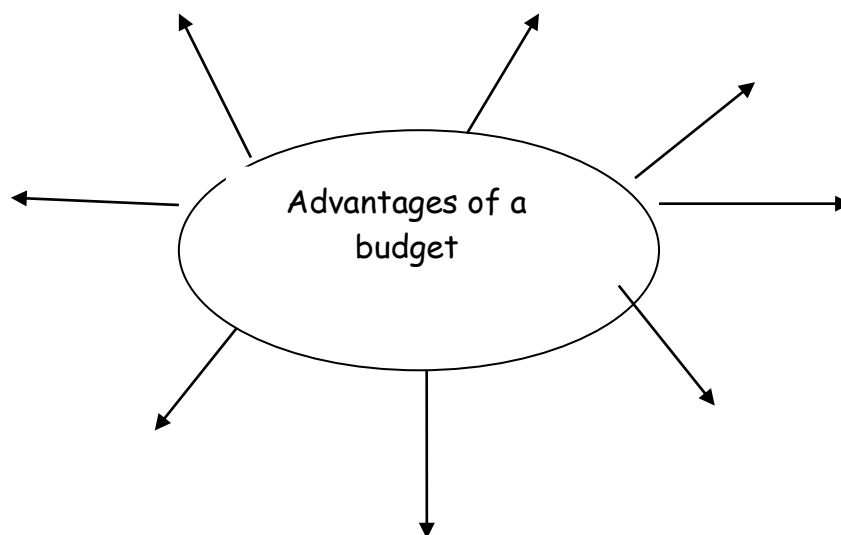


Now using the Power Point complete the table below.

Who	Why?

To avoid getting into debt people need to budget.
What is a budget?

What are the advantages of having a budget?



Budgeting

To make a budget you need to know what money you have coming in, this known as your **income**, and what money you are spending this is your **expenses**. We need to plan that we have enough money to cover our **needs** and allow a little extra for **luxuries** or **wants**. By doing this we avoid debt, and if we are really good we will also allow some money for **savings**.

Using page 106 complete the following statements

Needs are: - _____

Wants are: - _____

Now make a list of the **needs** which you must pay for and your **wants**.

NEEDS	WANTS

Let's consider our expenses – let's list all the expenses this family will incur.



--

Were you surprised by the number of bills/ expenses?

Did anyone consider savings as an expense?

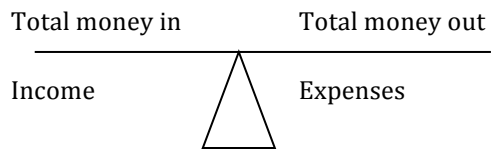
☐

Yes

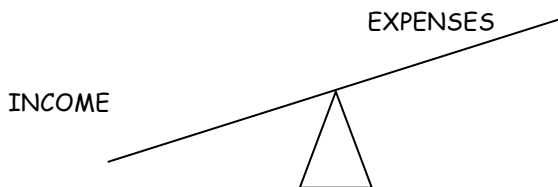
☐

No

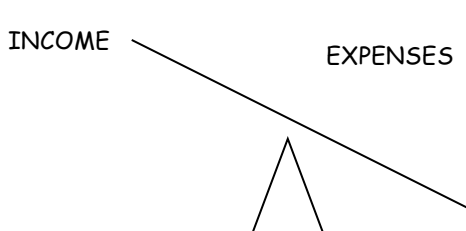
Do the balancing act



Consequences _____



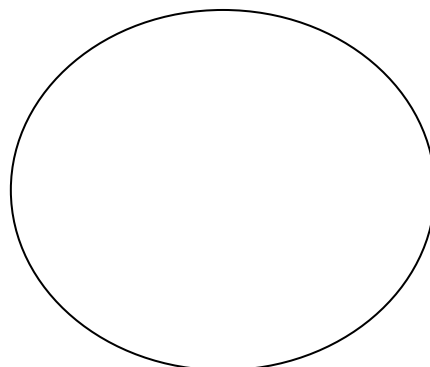
Consequences _____



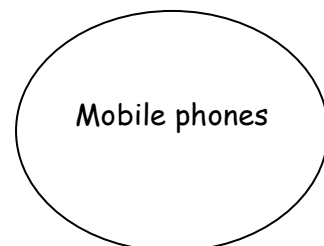
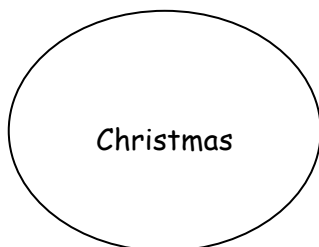
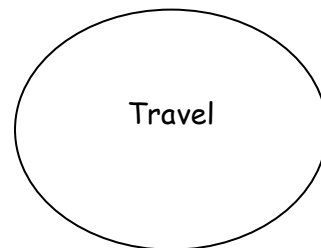
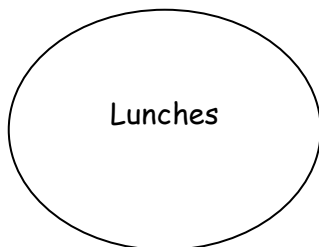
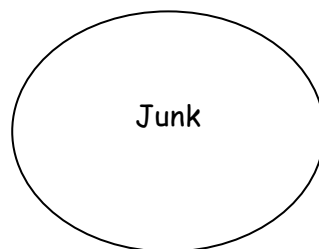
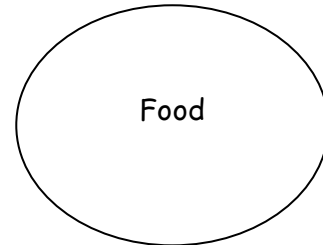
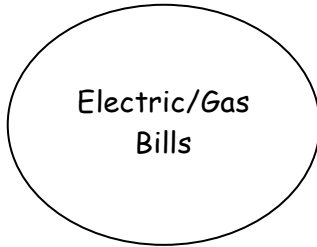
Consequences _____

Consequences of Poor Money Management.

Complete the consequences from the text book pg 110.

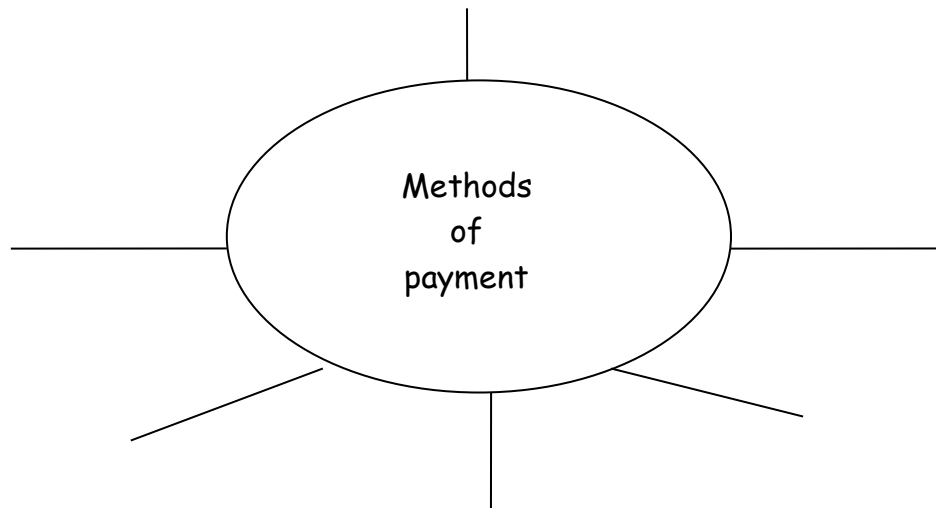


Activity :- Using all the resources you have been given and text book page 112 & 113, draw up a list of ways to save money in the following areas.



How do we pay?

In this lesson we are going to look at the options available to consumers to pay for goods and services. We will then evaluate these options.



Using pages 108/109 complete the following



Paying with cash

Cash is _____

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none">• Quick• • • 	<ul style="list-style-type: none">• Safety when using cash machines• • •

? Who would be most likely to use cash and why?

Paying by cheque



A cheque

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none">• Good if you don't want to carry large amounts of cash•••	<ul style="list-style-type: none">• Not all accounts supply cheque books•••

? Who would be most likely to use cheques and why?

? Give two examples when cheques would be better than cash?

Paying by debit card



A debit card _____

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none">• Quick••	<ul style="list-style-type: none">•••

? Which types of people are likely to use this method of payment?

Why?

Can you think of any situation when this payment method can't be used?



Paying by credit card

A credit card enables a consumer to _____. Card holders receive _____
_____repay.

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none">••••	<ul style="list-style-type: none">••••

Store cards. A store card allows a consumer to borrow money from the card issuer to pay for products or services. Store cards are _____

However the rates of interest are often _____ than most _____.

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none">••••	<ul style="list-style-type: none">••••

Hire Purchase

Hire purchase is a credit agreement that _____

Large chains such as furniture and electrical shops and car dealerships, often offer hire purchase as a method of payment.

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none">• If loan is interest free• If you plan for purchase and can make repayments it is a great idea	<ul style="list-style-type: none">•••

Consequences of Poor Financial Management

Managing Finances Effectively

Unit Review

Using your notes use this page to design a mind map or revision notes on the areas of

- (1) Budgeting
- (2) Planning a budget for a family
- (3) Debt (causes, signs, consequences)

CHAPTER THIRTEEN: WISE BUYER



Wise Buyer



In this unit we are going to look at being a consumer, how we are influenced to shop and our rights and responsibilities. We will look at the barriers people face and how we are protected by law.

NAME: _____

CLASS: _____

Informing the Consumer

LEARNING INTENTION:

Understand the sources of information available to consumers

SUCCESS CRITERIA:

Be able to evaluate the different sources of information available to consumers

Understand the safety information on labels

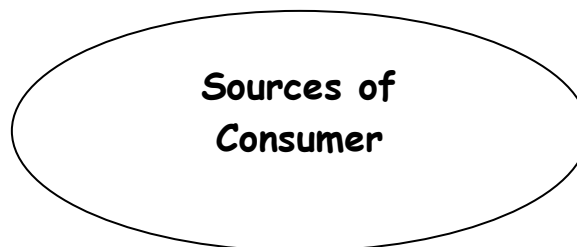
Understand environmental information on labels

Various Media:

When information needs to be communicated to large numbers of people, several **media** can be used.

Their aim is to _____, to _____ and to _____.

Complete the burr diagram to identify various sources of information.



Television is probably the most powerful medium and has more influence than any other method of communication as it is widely viewed by people from all ages.

If we are purchasing or have problems regarding goods and services, who would you go to for advice?

Let's us investigate their roles and responsibilities.



Citizens Advice Bureau

CAB is the largest _____ charity in NI, working against _____ and meeting the _____ and _____ needs of some _____ people annually.

There is an office in most large towns.

It provides _____ advice and information on many matters, e.g.

_____, _____, _____, _____ issues and _____. Of the enquiries each year _____% relate to social security, with Disability Benefits and Income Support the _____ categories.

Advice from CAB is provided within the framework of _____. These are:

- a) _____
- b) _____
- c) _____
- d) _____

“Which?” Magazine produced by Consumers’ Association

Consumer Advice Centre

These are operated by the _____ and are often located close to shopping centres. Its main job is to give _____ information and _____ on consumer _____ to both _____ and _____, and to help resolve consumer _____ and _____.

The C.A.C. can help you by:

- _____

- _____

- _____

- _____

- _____

The CAC service is only for people who live in that council area and who have a complaint about goods and services bought from a trader in that area.

They also provide a range of advice leaflets which are free of charge.

Environmental Health Officer

The EHO is authorised by the _____ to enforce _____ and _____ as well as _____ legislation. It deals specifically with _____ matters in relation to _____ and _____ that is _____ for _____.

Food premises can be _____ at any time without prior _____, to try to maintain _____ standards and ensure _____.

Any _____ by the EHO _____ and the premises will be _____. The EHO has the power to _____ premises and to take the owners to

_____.

Another problem which the EHO has to deal with is _____
_____. This may simply be a dog _____

continually, your neighbour playing the stereo too loud or the sound of lorries going to
and from a factory throughout the night.

Whatever the cause, the _____ states that you should not have your
_____ by unreasonably high levels of
noise.

If you report noise pollution you may be asked to keep a record of it. The EHO will then
come out and measure the noise level.

If the noise is considered to be an _____ level the person
responsible will be asked to _____ it. If this does not happen the EHO
may take the _____ to _____.

EHO's will also offer _____,
_____ in schools, _____ health and
monitor _____.

British Standards Institute

This organisation _____ a wide variety of goods sent to them by their
_____.

The goods are _____,
_____, set on _____, left out in the _____,
_____ from a great height and put through a range of other ____
_____ to check that they are _____ scratch, ____
_____ and _____. If the goods pass all the tests
they are then _____ the BSI
_____.

Draw the Kitemark here.



The Kitemark gives consumers the _____ that the product they have bought is _____ and _____. Products are not legally required to carry a Kitemark, but they can be found on many everyday appliances such as _____, _____ and _____.

Trading Standards Department

The TSD is responsible for _____ that businesses comply with various pieces of _____. TSD aims to _____ consumers and honest traders against _____ practice and _____ trading. They also _____ complaints about _____ trading practices and trading standard laws.

Their main areas of work are:

- _____

- _____
- _____
- _____
- _____

- _____

- _____

- _____

- _____

- _____



General Consumer Council For NI

The main job of the GCCNI is to _____ and
_____ the interests of consumers and to
_____ for the best possible _____ of service and
protection.

It also has a duty to investigate complaints about:

- _____
- _____
- _____
- _____

Over the years it has studied and reported on many consumer issues. Some are:

- The high _____
- The _____
- The _____



- The _____
- The _____




The GCCNI gives consumers general information on rights, mainly in published documents & reports and their new **Consumerline** web site is very informative.
 Their address is _____

Safety Labels

There is a wide range of safety advice labels found on goods, including food, electrical appliances & clothing. Some of the main reasons for including safety labeling on a product are:

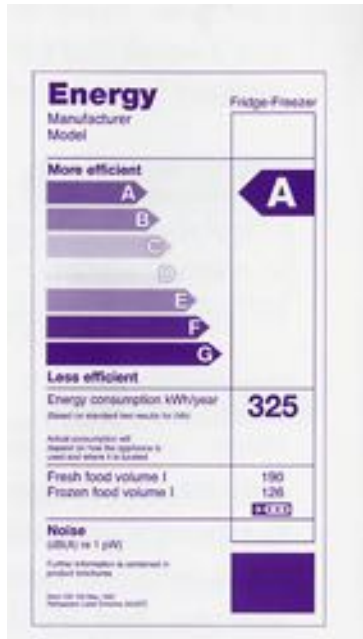
- _____
- _____
- _____

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Environmental & Ethical Labels

With an improved awareness of our global environment and ethical responsibilities, manufacturers are keen to use environmental labels to ensure standards of production, sell products and appeal to our conscience.









1. _____
2. _____
3. _____
4. _____
5. _____

Food & Nutritional Labelling

A food label provides information from the food manufacturer to the consumer. Food labels help to tell us what we are buying,

Advantages of Food Labels.

Food labels help people:

- To know what they are _____ by giving _____ about the food product.
- To use foods and food products correctly with _____ and _____ information.
- To make food choices for _____ or other reasons with _____ information.
- To compare food products for _____ for _____.

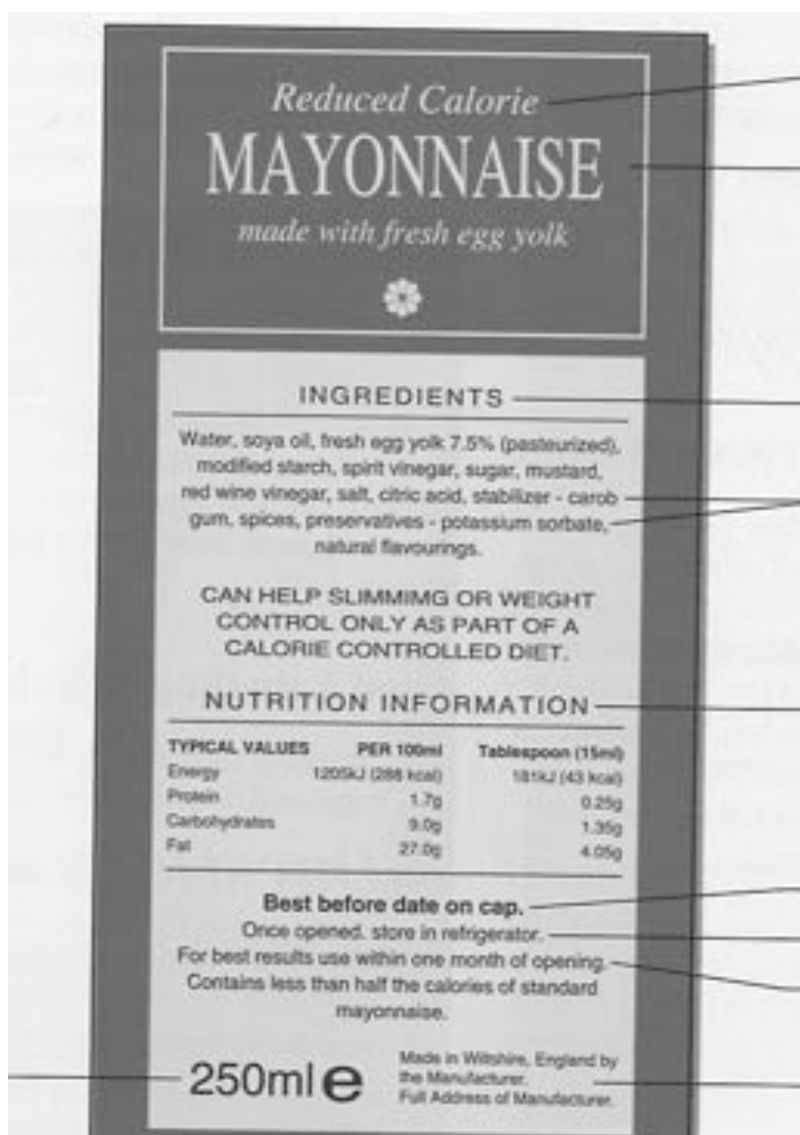
People can choose foods which are low in fat or high in fibre by reading and comparing the nutritional label. Manufacturers can promote their products with attractive labels.

Requirements for Labels.

For most food products, the label must include the following information:

- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____

On the label below identify the requirements noted on the previous page,



The quantity of certain ingredients in pre-packed foods must be included in the labelling, e.g. Ham & Mushroom Pizza – the amount of ham and mushroom should be listed. This is known as

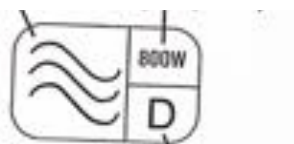
QUID – Quantitative Ingredient Declaration.

Nutritional Information: Energy, Protein, Carbohydrate, Starch, Sugars, Saturated Fat, Monounsaturated & Polyunsaturated fat, Dietary Fibre and Sodium. By law it is only necessary to name information about:

_____, _____, _____
and _____.



Best Before, Display Until & Use By: It is _____ for a shop to sell goods after the “use by” date has expired. The Best Before date is a guide usually found on _____, _____ and _____ foods.





Cooking instructions – manufacturers use different symbols to show how food can be cooked. These symbols show that the food can be cooked in an oven, on a hob, grill or a barbecue

Star Markings:

Draw the 4 types of STAR MARKINGS used by manufacturers of fridges, freezers and frozen food products to describe how long food can be kept and at what temperature.

Assessment Questions: _____/54

- List 2 aims of the media as a source of information

(a) _____

(b) _____

[2]

- Why is television the most powerful medium?

[2]

- List 2 forms of medium which would be impartial

(a) _____

(b) _____

[2]

- List 5 areas the C.A.B deal with

(a) _____

(b) _____

(c) _____

(d) _____

(e) _____

[5]

5. Identify their 4 principles

(a) _____

(b) _____

(c) _____

(d) _____

[4]

6. Who is the Consumer Advice available to?

[2]

7. Name the magazine published by the Consumers' Association

[1]

8. List 2 functions of the GCCNI

(a) _____

(b) _____

[2]

9. Describe the work of the BSI

[4]

10. What is the Trading Standard Service responsible for?

[2]

11. Who do Trading Standards protect?

[2]

12. List 2 areas of Trading Standard Service work.

(a) _____

(b) _____ [2]

13. What is the main function of an EHO

_____ [2]

14. Describe the role of the EHO with respect to noise pollution

_____ [4]

15. List 4 pieces of information which may be found on a label.

(a) _____

(b) _____

(c) _____

(d) _____ [4]

16. Write down 2 functions of labels

(a) _____

(b) _____ [2]

17. What do the initials **Q.U.I.D** stand for

_____ [4]

18. If an additive is given an E number what does this mean?

_____ [4]

19. What does the BEAB mark indicate?

_____ [2]

20. Why do consumers need to be informed about irradiated food?

_____ [2]

Past Paper Questions.

1. Describe the work of the Citizens Advice Bureau

[8]

2. Julie & Harry are expecting their first baby. They want to purchase a new cot. Two sources of information which they could use are given below:

Evaluate how useful these sources are in helping them to choose a new cot.

(a) Family & Friends

[6]

(b) "Which?" Magazine

[6]

(3a) The time which a food product stays fresh is called its

_____ [1]

(b) False or misleading claims about products are investigated by the

T_____ **S**_____ **D**_____ [3]

(4) Tony is a single man who often works night shifts. He is considering buying a new fridge/freezer for his flat. He has decided to visit his local Citizens Advice Bureau for advice before buying. Discuss **TWO** reasons why this would be useful.

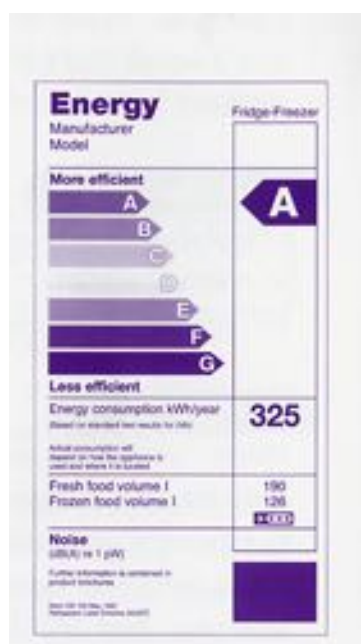
1. _____

[2]

2. _____

[2]

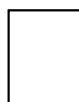
(5a) The fridge/freezer has the following label



(b) Explain why the energy symbol on the label is important

 _____ [2]

(c) This symbol is also found on the fridge/freezer. Explain what it means.



**	*
----	---

[2]

(d) Explain the importance of the following:

The BEAB Label



[4]

(6) The General Council for Northern Ireland



[4]

(7a) Product _____ gives important information to the customer. [1]

(b) The initials BSI stand for _____ [1]

(c) Discuss **TWO** ways food labelling laws protect the consumer

1. _____

[2]

2. _____

[2]

- (8) Mr & Mrs Brown are both in full-time employment. They have 2 teenage children. They have credit card debts. They are discussing contacting the Citizens Advice Bureau. Outline how the C.A.B. may help them deal with their credit card debts.

[4]

- (9) Sometimes families eat out in restaurants. Explain **TWO** ways the Environmental Health Office protects them.

1. _____

[2]

2. _____

[2]

- (10) Peter wants to buy a cooker.



Write down **THREE** sources of information that would be useful to help him make his decision.

- (a) _____
(b) _____
(c) _____ [3]

(11) Nutritional information is often given on food packaging.
Explain **TWO** reasons why this information is important.

1. _____
_____ [2]
2. _____
_____ [2]

(12) Tom found this symbol on a package.



Explain the meaning of this symbol.

_____ [2]

(13) Food _____ should be informative and helpful. [1]

(14) Describe the work of the Trading Standards Department

[2]

(15) a) The symbol below is found on a product Cathy is using.



Explain what this means.

[2]

(b) Explain the following terms found on food labels

(i) **Use-By Date**_____

[2]

(ii) **Best Before Date**_____

[2]