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CONSUMER IDENTIFICATION WITH CONSUMER PROBLEMS,  
MANHATTAN, KANSAS

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by

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TABLE OF CONTENTS

Document

INTRODUCTION . . . . .	1
REVIEW OF LITERATURE . . . . .	5
OBJECTIVES . . . . .	11
PROCEDURE . . . . .	12
Selection of Sample . . . . .	12
Schedule . . . . .	14
Interview . . . . .	16
RESULTS AND DISCUSSION . . . . .	17
Characteristics of Respondents . . . . .	18
Consumer Problems Identified by Respondents . . . . .	20
Consumer Attitudes and Reactions to Problems . . . . .	22
Consumer Recognition of Principles and Practices in Market Place . . . . .	35
Discussion . . . . .	43
SUMMARY . . . . .	45
CONCLUSIONS . . . . .	47
ACKNOWLEDGMENTS . . . . .	48
LITERATURE CITED . . . . .	49
APPENDICES . . . . .	51
A. Correspondence with Grocery Manufacturers of America . . . . .	52
B. Introductory Letter . . . . .	53
C. Survey Schedule . . . . .	55
D. Solicited Comments on Difficulty of Finding Items . . . . .	65
E. Solicited Comments on Feasibility of Price Comparison Shopping. . . . .	68
F. Unsolicited Comments to the Twelve Practices of the Market Place. . . . .	70

## INTRODUCTION

The late President John F. Kennedy premised his consumer protection and interest program on four basic rights of the consumer. The rights:

1. To safety - To be protected against the marketing of goods which are dangerous to health or life.
2. To be informed - To be protected against fraudulent, deceitful, or grossly misleading information, advertising labeling, or other practices; to be given the facts he needs to make an informed choice.
3. To choose - To be assured, wherever possible, access to a variety of products and services at competitive prices; and in those industries in which competition is not workable and Government regulation is substituted, an assurance of satisfactory quality and service at fair prices.
4. To be heard - To be assured that the consumer interests will receive full and sympathetic consideration in the formulation of Government policy, and fair and expeditious treatment in its administrative tribunals. (Kennedy 1962, p. 2).

Kennedy (1962, p. 1) further said, "They (consumers) are the only important group in the economy....whose views are often not heard."

President Johnson (1964, p. 2) said in his "Message on Consumer Interests": "My Special Assistant and the new Consumer Committee will lead an intensified campaign...to identify the gaps in our system of consumer protection, information and choice that still need to be filled." He also directed his Special Assistant to begin a series of regional consumer conferences at which representatives of consumer groups, manufacturers, retailers, advertising agencies, government agencies, and others would discuss the problems of adequate consumer information.

The report on the regional consumer conferences, presented to the President in March 1965, concluded:

The regional conferences clearly revealed the need and desire for more adequate information to permit rational consumer choices. Consumers want--and clearly need--more adequate information about products and services. This increased need follows through to the point of sale in the form of labels and tags, and in the need for retailers to educate clerks and salesmen who too often do not have adequate knowledge of their products or services.

The most readily apparent information gaps are those pertaining to credit, grading, packaging, and labeling, and in criteria on performance. (Peterson, 1965, pp. 6,7).

This need for information on the part of consumers is not recognized universally. Some persons claim that consumer problems are virtually nonexistent. The Federal Government is pictured as putting words into the mouths of consumers in order to further restrict the free operation of business. The high standard of living in this country, the lack of consumer complaints, and "consumer sovereignty" in the market place are cited as evidence that the "average" or "typical" consumer does not have any problems. Certain persons within the government and business, such as Senator Roman Hruska, consider this concern for the consumer as "unwarranted", "...an affront to the American consumer, particularly to the housewife." (Hruska, 1964, p. 1).

Typical of the opposition is a recent article by the Chairman of General Foods Corporation entitled "Let's Keep Politics Out of the Pantry". Mortimer (1965) conjurs up an image of a self-reliant consumer with the description that the typical American housewife is intelligent, experienced, and better informed about running a home than her counterpart in any preceding generation, that she knows what she wants and she gets it, and she knows precisely what it is worth to her. Mortimer's confidence in the American housewife as a competent and intelligent individual does not extend, however, to those housewives who attend consumer conferences.

He went on to say that consumer conferences, with their emphasis upon complaints, have resulted in more harm than good. For one thing, they have created doubts in the minds of consumers where none had existed and indeed where none are warranted. Consumers Union (1965, p. 3) considers this article part of a total public relation effort to discredit the consumer program.

An article in an employee magazine of Du Pont Corporation (1961), entitled "Do You Need A Guardian?", purports to show that recent efforts to protect, educate, and inform consumers is based on the image of a victimized American consumer. After pointing out examples in the economy that contradict this picture of a victimized consumer, the article concludes with its own glowing portrait of American consumers as those who are used to being the boss, who know the value of a dollar, who demand a wide range of choice in price, style, and quality, and who are well aware that when it comes to their purse strings, they are their own masters and their own best guardians.

One business representative recognizes that perhaps not all consumers are alike. The Manager of the Soap and Detergent Association, (Pattison, 1965, p. 15) describes two kinds of consumers: the average and the disadvantaged. The affluent "typical" consumer is "discriminating", "quick and competent", easily recognizes and rejects a "shoddy or deceptive item", "likes modern packaging", whose "complaints are few and far between", and one "for whom there is no need for additional consumer protection or information." Only the disadvantaged need help to perform effectively their roles as consumers. In other words, unless the consumer is "someone just out of the shacks along a rural highway or friendless in an urban jungle" (Pattison's description of the disadvantaged), she is completely competent

to make wise choices among detergents in today's market. According to a marketing study quoted by Cohen (1965), she does this in 10 seconds, on the average, choosing among 124 different products.

A study was sponsored by the Grocery Manufacturers of America on "What Consumers Think About Grocery Manufacturers, Products, and Packaging" (Grocery, 1965). The conclusion of this study seemed to indicate general contentment and satisfaction in the market place. Despite indications of considerable bias, it was concluded that American consumers, both men and women, had a favorable view of food manufacturers and what the manufacturers did for them, that there was a definite pattern of satisfaction and enthusiasm for the quality of food and other grocery products offered to consumers today, and that in general, consumers were well pleased with the packaging of food and other groceries, with some "minority" dissatisfactions relating to grocery packaging. It also stated that after hearing proposals in packaging practices and the manufacturers' viewpoints on these changes, most consumers expressed satisfaction with present industry practices.

Just how valid are these characterizations of a "typical" consumer as one who is competent and content with practices in the market place? Some obviously reflect the economic position of the expositor and should not be construed as objective judgments. Others claim to be based on careful observations of the consumer. The Grocery Manufacturers of America study claimed its results were based on the most advanced probability sampling methods in order to ensure the greatest possible validity and reliability of the findings, and that findings were projectable to the total American population of household heads, male and female, and to various population



subgroups included in the analysis, in conformity with generally accepted sampling practices. The author wrote the Grocery Manufacturers of America requesting a copy of the interview schedule, sampling procedure, and other methodology pertaining to the study, but the request was denied. These letters are included in Appendix A.

In recognition of the growing need for better information about consumer satisfaction with the market and in light of the almost total lack of objective studies, it seemed appropriate and opportune to initiate a study in Manhattan, Kansas which might indicate the potential value of surveys instituted to better understand consumers.

The purpose was to determine whether or not consumers do have consumer problems, and, if so, to identify them, determine the gaps in consumer protection as indicated by their problems, and discover consumer attitudes and reactions to such problems.

#### REVIEW OF LITERATURE

An examination of previous studies on consumer behavior reveals a number of studies concerned with consumer attitudes, preferences, goals, and buying habits, but few studies concerned with consumer problems or consumer identification with such problems. (American Marketing Association, 1959; Bayton, 1958; Clark, 1958; Katona, 1957; Life Magazine, 1957; Oxenfeldt, 1950; Survey Research Center, 1952). Although some marketing research has attempted to isolate and identify particular problems of consumers, it has been largely product oriented, specifically, with such matters as:

1. Concern with the marketing prospects of a particular brand or product.

2. Identification of attitudes toward a product and of the inadequacies of the brand or product.

In addition, except insofar as it might bear on the above considerations, marketing research usually is not concerned with the relative importance of different consumer problems to the consumer and their effect on the well-being of the consumer. That is, marketing research is product and not consumer oriented.

Two recent studies have been concerned with consumer problems from the standpoint of their significance to and impact on the consumer. Most important from the standpoint of consumer behavior in general has been the study by Charles J. Collazzo, Jr., A Study of Consumer Frustrations sponsored by the National Retail Merchants Association. (Collazzo, 1963). The other has been reported by David Caplovitz in the book The Poor Pay More, which deals with problems of low-income consumers in a large metropolitan area, New York City. (Caplovitz, 1963). These studies, together with the "Report to the President on The Regional Consumer Conferences" by Esther Peterson, The Special Assistant to The President for Consumer Affairs, recognize that there is no "average consumer".

In the report to the President on the regional consumer conferences, it was concluded that for all practical purposes, there was no working definition of the term "consumer", and that certainly there was no such thing as an "average consumer". It went on to say that the wealthy and the poor, the highly educated and the illiterate, the teenager and the senior citizen, every purchaser, including even business and government, are consumers. As needs and interests differ among people, so the levels of sophistication and preparation for the function of consumer vary widely also.



David Caplovitz reached similar conclusions and identified differences among low-income consumers. He observed that these consumers were by no means alike. Their shopping practices were affected by various social characteristics apart from income. Specifically, he cited the most active consumers, those who relied most on credit, and those who experienced the most consumer problems, tended to be Puerto Ricans and Negroes rather than whites, relatively large families in each ethnic group, and young families. He found education of household head was closely associated with the scope of shopping and knowledge of community agencies. The minority, who had completed high school, were much more likely to shop in large downtown stores than those who had not, and were much more aware of sources of professional help for consumer problems.

Charles Collazzo (1963) found considerable differences in problems among consumers. To explain these differences he developed a "maturity thesis" to explain shopping maturity. This maturity thesis is evidence of a more intelligent and discerning approach to buying which comes with age (stage in the life cycle), higher education, higher income, higher occupational status. It is also evident among those who own their own homes rather than rent, and whose affluence and increased leisure time enable them to take vacations. He further found that the attitudes of consumers to shopping as an institution became less favorable as their incomes and educational levels and shopping experience increased. He classified this growing discontent or shopping frustration as either Direct, in which there was an inability to buy desired goods and the waste of time and energy; or Indirect, in which the consumer tolerated inferior goods simply because he lacked information concerning better ones. Manifestations of this growing discontent

were evident as Collazzo found that people want the "frills" such as stamps, entertainment, promotional devices, unwanted and expensive services, left out. Instead, he found that consumers want better value, more convenience, and more efficient service, expressed in such terms as improved quality, more information, and improved politeness and efficiency of sales clerks. The lack of convenience, and particularly the lack of quality goods and efficient services rated highest as contributors to shopper frustration, particularly among more "mature" shoppers. Consumer complaints were reported to be a poor index of consumer dissatisfactions. Collazzo (1963, p. 114) concluded, "No store ought to feel secure that because it is getting few complaints about goods it sells or policies it follows, mistrust is not building up. Some products are too small and cheap to complain about, too much time may be involved to take things back...yet out of the sale of a few cheap items generalizations as to the worth of all the retailer's goods are built up. In other cases, the retailer's reputation may be suffering from factors which are too subtle for consumers to complain about."

Esther Peterson (1965) similarly stated that the regional conferences showed that consumers harbor many more complaints than they attempt to register, and that there was an unmistakable fatalism toward what was regarded as the futility of individuals expressing themselves effectively in the maze of the market place.

Caplovitz (1964) found that low-income consumers do indeed have consumer problems, and that these problems seriously undermine the well-being of the families. He identified such problem areas as shady trade practices, problems with poor merchandise, credit, appliances, high-pressure sales, misrepresentation of prices, and substitution of goods. In cases where problems did exist, these low-income consumers were virtually helpless in

obtaining satisfaction, and lacked knowledge concerning what action to take. Many problems were associated with credit practices, for credit was the lubricant merchants used to make sales where poverty conditions were too "tight" for cash transactions. One in every five had experienced legal pressures because of missed payments, their goods were repossessed and their salaries were garnished, or they were threatened with garnishments. He found that many of the families in this position had heavy credit obligations that reached crisis proportions when their income was suddenly reduced through illness or unemployment.

Inability to maintain payments was not the only problem these consumers encountered. The merchant's failure to live up to his obligations created difficulties for a much larger proportion, some 40 per cent. This group included families who were seduced by bait advertising and high-pressure salesmen into buying much more expensive merchandise than they had intended, families who were given erroneous information about the costs of their purchases, and families who were sold reconditioned merchandise as new. Caplovitz stated that these two kinds of problems, legal difficulties, resulting from missed payments, and exploitation by merchants, are not always independent of each other. Some families capable of maintaining payments stopped payments when they discovered that they had been cheated. But instead of gaining retribution, they were usually subjected to legal sanctions brought upon them by the merchant.

Caplovitz stated that there is another aspect to this legal structure. The merchants who offer "easy credit" have the legal right to sell their contracts at a discount to a finance company. Many low-income consumers do not understand this procedure. They mistakenly believe that the merchant has gone out of business and assume that nothing can be done about

their problem. This practice of selling contracts to credit agencies often has the effect of relieving the merchant of fulfilling his responsibilities to the consumer.

He discovered that in keeping with their inadequacies as consumers in a bureaucratic society, most of these families had no idea what they could do about their consumer problems. When asked directly where they would go for help if they found themselves being cheated by a merchant, some 64 per cent said that they did not know. They could not name any of the community agencies equipped to deal with these problems, such as the Legal Aid Society, the State Banking and Finance Department, the Small Claims Court, or the Better Business Bureau. The Better Business Bureau was the agency most often cited by the minority who had some idea where they could go for professional help.

In summary, no studies have been made to identify problems of consumers living in the midwestern area of the United States which Manhattan might represent and Senator Eruska of Nebraska might have had this in mind in making reference to the lack of consumer problems.

David Caplovitz was concerned with low-income consumers in a large metropolitan city, some 15 per cent of whom were on welfare, 75 per cent of whom were Negroes or of Puerto Rican extraction, of whom 17 per cent had completed high school and about half had attended school beyond grade school. They were usually in the early states of the life cycle and had relatively large families. Yet, they were not products of the metropolitan city: "Their place of origin, their ethnicity, their low-educational level, all suggest that these consumers are products of more traditionalistic cultures, poorly trained in the ways of urban, bureaucratic society...this fact

underlies many of their problems as consumers" (Caplovitz, 1964, p. 77). Most of the problems or the major problems of the families were with trade practices.

Collazzo, on the other hand, was concerned with a broader strata of the population. He measured consumer frustrations according to stage in the life cycle, level of education, level of income, occupational status, housing status (owner or renter), and vocational status. He obtained the study data in the northern suburbs of Boston from 464 families using such techniques as sentence completion, projective questions, word associations, rating scales, and forced choice questions. Collazzo found that problems differed according to family characteristics and that shopper sophistication or "maturity" increased with position on the socio-economic scale. He was concerned with consumer frustration; most of which resulted from trade practices and service related to shopping.

The report to the President on the regional consumer conferences identified a lack of information in the market place as a contributor to consumer problems.

This study differs from that of Caplovitz in that it is not primarily concerned with trade practices and the respondents were from all strata of a small midwestern city. It differs from Collazzo notably by its focus on a different population group, but also by its main emphasis on consumer rather than shopping problems and their corresponding frustrations.

#### OBJECTIVES

The study considered consumer problems primarily by stage in the life cycle, and secondarily by income and educational level, and employment or



nonemployment status of female respondents. The specific objectives were:

To determine whether individuals of Manhattan, Kansas have consumer problems that they will identify and relate in an interview.

To determine whether the types of problems identified reflect the different consumption patterns of individuals of different stages in the life cycle.

To determine if the respondents would agree with certain ethical rights attributed to consumers and would identify with these ethical principles as represented in various practices encountered in the market place.

The purposes that underlie these objectives, however, were to develop evidence that could be used in:

Consumer education to help the consumer become a more effective and satisfied consumer.

Consumer policy formulation, for guiding legislation and marketing practices.

Improvement of consumer-business relationships.

## PROCEDURE

### Selection of Sample

The data for this study were obtained in 1965 by personal interviews with 60 households in Manhattan, Kansas. The population from which the sample was drawn was all households listed in the 1964 Tax Assessor's records who fulfilled the life cycle criteria of categories I, II, III, and IV, based upon the age of the family head.

Category I (Young Married) - Married couples under 30 years of age.

Category II (Young Middle) - Married couples from 30-49 years of age.

Category III (Empty Nest) - Married couples and persons living alone, 50-64 years of age.

Category IV (Aged and Retired) - Married couples and persons living alone, 65 years of age and older.



For each of the 21 Tax Assessor's books, in which are enumerated all areas in the City of Manhattan, those occupied dwelling units (ODU's) in which there were families or persons manifesting the characteristics of one of the particular stages of the life cycle categories above were tabulated. This was done for approximately the first 40 names in each book. If the 40th name was not the last name on the page, the names remaining on that page were taken. To estimate the total population of households per book in each of the four stage of the life cycle categories, the number of pages from which the approximately 40 names were taken was divided into the total number of pages in that particular book and the result multiplied by the number of names in each category. A cumulative total of households with the desired characteristics was then made of the total number of the sample in each category: Category I, 1,428 households; Category II, 2,202 households; Category III, 1,278 households; and Category IV, 1,349 households. The number of households in each category was listed consecutively and identified by number.

The desired size of the sample was fifteen for each life cycle category. An additional five names were drawn as substitutes for those who had moved, could not be located, or refused. This total number of desired names (20) was divided into the cumulative total of each category of respondents in order to obtain the interval at which the sample was to be selected. This yielded sampling intervals of 71, 110, 64, and 67 for Categories I, II, III, and IV, respectively. A starting number was selected at random, between one and the interval, and the household bearing that number was selected. The household bearing that number plus the interval number was used to obtain the next name, and so on until the desired

sample size for each category was obtained. After the desired sample size of fifteen plus five alternatives was chosen, these twenty names were again listed randomly to form the order for interviewing. The last five names on the list were alternates, one through five in the order of their use.

In Category I, under 30 years of age, only 12 of the initial 20 respondents could be located; the remainder had moved from the area. Therefore, the method of sample selection was repeated to obtain an additional 10 names.

#### Schedule

The interview was structured by a ten page schedule (Appendix C) on which the data were recorded. The schedule was divided into three phases. The questions were arranged so that the schedule proceeded from general to specific open-end questions in the first phase, to rating attitudes and reactions to consumer problems on five point scales in the second phase, to rating consumer identification of principles and practices in the market place in the third phase. The schedule cover sheet provided spaces for the code number of the respondent (the category and interval number of the respondent), for recording the time the interview began and ended, and the total time of the interview.

The respondents were told that the purpose of the interview was to determine if people had consumer problems, and if so, to inquire as to what kinds of problems. The interview began by asking who in the family did most of the shopping. This answer assured the interviewer he was talking to the appropriate family member; if not, a subsequent appointment was made.

It also placed the respondent somewhat at ease, for it could be answered easily and positively.

The interviewer began the first phase with a statement and general question: "Some claim that people do not have any shopping or buying problems, while others claim that there are more problems than meet the eye; do you think that people have problems when they shop or buy?" This opening question about people, in general, was followed by more personal open-end questions. The questions proceeded from general to specific concerning the presence or absence of consumer problems. Probes were used to gain as much information as possible about each problem and the respondents' attitudes and reactions to these problems. Up to this point in the interview, no specific problem areas were suggested by the interviewer, and therefore such problems as were listed would indicate those most salient and perhaps most significant to the respondents. The respondents were then shown a list of services and products suggestive of problem areas which they may have temporarily forgotten during the preceding open-end questions. This was followed by further open-end questions.

In the second phase beginning on page 7 of the schedule respondents were asked several specific questions to determine their attitudes toward three circumstances which might have some significance on their consumer problems, either explaining the presence of the problems themselves, or explaining their attitudes and reactions to such problems. They were asked to rate on a five point scale ranging from "always" to "never", the frequency with which they were unable to find what they were looking for, and whether they thought it was worthwhile to shop for prices. Their comments on the questions also were solicited. The respondents were then

asked what they did in the event that they bought something that they did not like, by relating positively and negatively to ten possible actions ranging from "nothing" to "write Esther Peterson, The Consumer Advisor to President Johnson." This was done to determine the strength of their reaction and their knowledge of possible sources of help.

The last phase beginning on page 8 concerned ethical principles (Questions I) and their application by business in the market place (Question II), to determine:

1. If the respondents would recognize certain general ethical principles of the market place, and
2. If they would identify with these principles in various practices of the market place.

They were asked to express themselves on a five point scale ranging from "fully agree" to "fully disagree" for the principles, and from "perfectly all right" to "shouldn't be allowed" for the practices. If the respondents considered a practice "wrong" or "shouldn't be allowed", they were then asked question III, whose responsibility it was for eliminating the practice: Buyer, Dealer, Manufacturer, or Government.

The last page of the schedule requested information useful in classifying the respondents' family income level, education, occupational status of housewife, and stage in life cycle.

#### Interview

A personal letter was sent to each household giving the purpose of the study and requesting their cooperation (Appendix B). Each was told that an interviewer would call within the next few weeks. When appearing at the home, the interviewer introduced himself as a student in the Department of Family Economics and repeated the purpose of the interview.

The respondents were reassured that the interview was confidential and that no one would be identified with any of the information given, or with the study. Occasionally it was necessary to explain how they had been chosen to participate in the study.

All 60 interviews were conducted by the author in April, 1965. Only two of the chosen respondents refused to be interviewed. Eighteen of those originally chosen had moved, 12 of whom were in the youngest age group, thus reflecting the higher mobility rate of younger families.

The average length of the interviews was 40 minutes. All were conducted in the homes of the respondents, during the day and evening, on all days of the week. Call-backs were made without limit until the families could be interviewed, unless they were known to have moved from the area. Call-backs ranged from 1 to 8.

## RESULTS

### Characteristics of Respondents

An equal number of respondents was chosen to represent each designated stage in the life cycle. There were 15 respondents in each of the four arbitrarily chosen age groups: under 30 years of age (young married), 30-49 years of age (young middle), 50-64 years of age (empty nest), 65 years of age and older (retired). Their characteristics are presented in Table 1.

Almost three-fourths of the respondents were high school graduates. The mean number of years of education of the wife decreased with the advancing stage of the life cycle. For those under 30 years of age the mean number of years was 13.7; for those 30-49 years of age, 12.7; for those 50-64 years of age, 12; and for those 65 years of age and older, 11.6.

Most of the wives were not gainfully employed. Employment was more frequent in the youngest and empty nest stages, and full-time homemakers more frequent in the child-rearing and retirement stages of the life cycle.

One-half of the families had incomes below \$5000. They were concentrated in the youngest and oldest age groups. Although more of the families in the 30-49 age group were one-wage-earner families than the other categories of respondents, income was highest for this group. Income was next highest for those in the 50-64 age bracket.

TABLE 1.—Characteristics of the respondents

Characteristics	Number of respondents by life cycle stage				All
	Under 30	30-49	50-64	65 and over	
Education of wife	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>60</u>
8 or under	0	1	1	2	4
9-11	0	1	2	1	4
12	6	7	5	5	23
13 and over	7	6	4	4	21
Not determined	2	0	3	3	8
Employment status of wife	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>60</u>
Employed full-time	5	2	3	2	12
Employed part-time	1	0	4	1	6
No employment	7	13	5	9	34
Not determined	2	0	3	3	8
Family income level	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>60</u>
Less than \$3000	4	1	3	9	17
\$3000 - \$4999	6	3	3	1	13
\$5000 - \$7499	3	3	6	3	15
\$7500 - \$10,000	2	3	3	2	10
\$10,000 and over	0	5	0	0	5



### Consumer Problems Identified by Respondents

As the questionnaire became more specific more respondents identified consumer problems. To the initial question, "Do you think people have problems when they shop or buy?" the answers were about evenly divided. Twenty-nine of the respondents said "yes", and 22 said "no", and 9 said "no opinion." When the interview was completed, all of the respondents had identified one or more consumer problems. The number of problems identified by the respondents and the number of respondents identifying problems are presented in Table 2. The specific problems have been classified, which has the effect of reducing the number of respondents identifying problems. So, the table presents both sets of data: the number of problems and the number of respondents reporting one or more problems in the class. There are multiple problems for the first nine areas, especially clothing and appliances. The general tendency, however, of both sets of data is for the number of problems to decrease with age.

Problems with clothing were mentioned much more frequently than any other. Over three-fourths of the respondents said they had problems with clothing. Appliances were next as a source of problems as 29 or about half mentioned this area. These were more frequently expressed by the younger families. Food ranked third in frequency of problems, followed by insurance, and automobiles and related repairs and accessories, door-to-door salesmen and telephone sales approaches, medical care, and restaurants were next, in that order.

For those respondents under 30 years of age, clothing constituted the most frequent problem, mentioned by 11 of the 15 respondents. Food and automobile-related problems ranked next in frequency of problems, mentioned by 9 for each of these two areas. Seven of the 15 respondents mentioned

TABLE 2.--Types of consumer problems identified by respondents

Problem	Number of respondents identifying problems					Number of problems identified				
	Life cycle stage				All	Life cycle stage				All
	Under 30	30-49	50-64	65 and over		Under 30	30-49	50-64	65 and over	
Total	95	80	60	59	294	112	104	71	69	356
Clothing	11	14	9	12	46	15	22	13	17	67
Appliances	7	12	4	6	29	8	18	5	8	39
Food	9	7	5	6	27	12	7	6	7	32
Insurance	7	3	8	5	23	10	4	9	5	28
Auto, auto repair and accessories	9	3	2	6	20	11	4	3	6	24
Door and telephone sales approaches	4	4	1	9	18	6	5	1	10	22
Furniture and household items	7	7	3	1	18	7	9	3	1	20
Medical care	7	2	3	2	14	8	2	3	2	15
House and house repair	4	4	4	2	14	4	5	4	2	15
Restaurants	5	4	1	1	11	5	4	1	1	11
Credit	3	2	2	0	7	3	2	2	0	7
Launderers and dry cleaners	3	2	1	0	6	3	2	1	0	6
Beauty and barber shops	3	1	0	1	5	3	1	0	1	5
Advertising	2	1	1	1	5	2	1	1	1	5
Household movers	2	1	0	0	3	2	1	0	0	3
Guarantees and warranties	1	1	0	0	2	1	1	0	0	2
Miscellaneous	5	4	5	2	16	6	5	6	2	19
Trade practices	2	5	3	0	10	2	7	5	0	14
Service	2	1	3	4	10	2	2	3	5	12
Prices and value	2	2	5	1	10	2	2	5	1	10

problems with appliances, insurance, furniture, and household items, and surprisingly, medical care.

For those respondents between 30-49 years of age, clothing again was the primary source of difficulty, mentioned by 14 of the 15 respondents. Appliances were next, mentioned by four-fifths of the respondents, food, furniture and household items followed, with about half of the 15 respondents mentioning problems with these areas. .

For the age group 50-64 years of age, clothing was again the primary source of problems, mentioned by 9 of the 15 respondents. Insurance followed, with about half of the respondents, and food was third, identified by a third of the respondents.

For the oldest age group, 65 and over, clothing ranked first, mentioned by four-fifths of the 15 respondents. Door-to-door salesmen and telephone sales approaches followed in the frequency of problems, mentioned by 9, and appliances, automobiles and related problems, and insurance were mentioned as problem areas by about a third.

Of the 356 problems in 20 different problem areas identified, clothing accounted for the highest percentage of problems mentioned, 19 per cent. Appliances accounted for 11 per cent of all problems, food 9 per cent, door-to-door salesmen and telephone sales approaches 6 per cent, furniture and other household items 6 per cent, medical care 4 per cent, house and house repair 4 per cent, and restaurants, 3 per cent of all problems.

The problems were then classified according to the reason for the problem. The reasons were lack of quality, inability to find the item or service, poor service, high prices and poor value, and shady trade practices. Lack of quality was mentioned most often (28%), trade practices accounted

for all or part of the problem 24 per cent of the time, but since this covers many diverse business practices, it was probably less of a problem than the inability to find the item or service (20%). Poor service was the reason for the problem 16 per cent, and high prices and poor value 12 per cent of the time.

Since those 65 and over had frequently reported problems with door-to-door salesmen and telephone sales approaches, they also listed trade practices as the chief source of difficulty. The data are presented in Table 3.

TABLE 3.--Reasons given by respondents for identifying a consumer problem

Reason for problem	Number of times mentioned				All
	Under 30	Life cycle stage		65 and over	
		30-49	50-64		
Reason	<u>143</u>	<u>120</u>	<u>87</u>	<u>78</u>	<u>419</u>
Quality	41	35	21	21	118
Can't find	26	34	9	16	85
Trade practices	31	21	23	24	99
Services	18	17	17	14	66
Prices/value	18	13	17	3	51

#### Consumer Attitudes and Reactions to Problems

Reactions of Respondents to Specific Consumer Problems Mentioned. The open-end questions included several probing questions such as, "Did they make it good to your satisfaction?" "Are they all like that, or is this just a particular case?" "Do you still buy from the same place?" "Did you tell

anyone else about it?" Their reactions were summarized according to whether the problems were associated with products or with service and presented in Table 4. Several differences are noticed. Most (69%) of those with a problem concerning a product said the dealers had made it good to their satisfaction, but none reported satisfaction arising out of poor service. The faulty-product problem was more frequently considered a general problem in contrast to the problem of poor service, which they more frequently considered to be a particular case.

Identification of the source of the problem was with the product and not the dealer for product problems, and with the dealer for service problems. This is reflected by the response. When asked if they still bought from the same place, 81 per cent of the responses were "yes" when the problem concerned a product, whereas 72 per cent were "no" when the problem concerned poor service. Also, they were more likely to tell others about the problem situation if service related. No particular pattern of problem identification is associated with life cycle.

Returned Items. The respondents were asked if they or a member of the family had taken anything back within the past year. About one third of the respondents recalled that they had. Most frequently mentioned was clothing, constituting 18 of the 22 items returned. The other items were food and appliances, two each.

The reason given for having returned the items was quality (55%) and size (36%). The retailer had given satisfaction when they returned the item in 9 of 10 responses. When asked if they thought the item returned was just a particular case, that is, a "lemon", most (92%) said "yes". That is, they did not think that all of the items were like that. When asked if they still

TABLE 4.—Reactions of respondents to specific consumer problems mentioned, by problem class

Consumer reactions	A product problem					A service problem				
	Life cycle stage				ALL	Life cycle stage				ALL
	Under 30	30-49	50-64	65 & over		Under 30	30-49	50-64	65 & over	
"Did they make it good to your satisfaction?"										
Yes	5	8	5	0	18	0	0	0	0	0
No	3	2	0	1	6	0	3	2	3	8
Not entirely	2	0	0	0	2	1	0	1	1	3
"Are they all like that, or is this just a particular case?"										
All like that	10	7	1	5	23	0	2	1	1	4
Particular case	7	9	6	2	24	2	2	5	4	13
"Do you still buy from the same place?"										
Yes	9	13	5	2	29	0	2	2	1	5
No	2	2	0	2	6	1	3	3	2	9
Only when I have to	0	0	1	0	1	1	0	1	2	4
"Did you tell anyone else about it?"										
Yes	15	14	2	2	33	2	4	6	3	15
No	5	3	3	1	12	0	1	0	2	3
Don't remember	0	0	1	1	2	0	0	0	0	0

bought from the same place, 87 per cent said they did. When asked if they told other people about it, 64 per cent said that they had. The data are presented in Table 5.

**Worst Buy.** The respondents were asked what they considered to be the "worst buy" they or a family member ever made. Used cars were mentioned most frequently (41X), appliances were mentioned by 21 per cent of those who had mentioned having made a "worst buy".



TABLE 5.--Responses to question concerning whether respondents had taken something back within past year

Consumer reactions	Number of returned items				All
	Under 30	30-49	50-64	65 and over	
Life cycle stage					
Product:					
Used cars	4	3	3	5	12
Appliances	1	3	1	1	6
Encyclopedias	2	0	0	0	2
Other	0	5	2	2	9
Reason:					
Quality	5	8	4	2	19
Price and value	2	2	0	1	5
Other	0	1	2	2	5
Did they make it good to your satisfaction?					
Yes	0	0	0	0	0
No	1	2	1	1	5
Not entirely	2	0	0	0	2
Not replying	4	9	5	4	22
Are they all like that, or is this just a particular case?					
All like that	1	5	0	2	8
Particular case	2	2	2	0	6
Not replying	4	4	4	3	15
Do you still buy from the same place?					
Yes	2	3	0	1	6
No	1	2	2	1	6
Only when I have to	0	0	0	0	0
Not replying	4	6	4	3	17
Did you tell anyone else about it?					
Yes	5	5	2	1	13
No	0	2	0	0	2
Don't remember	0	0	0	1	1
Not replying	2	4	4	3	13

Lack of quality (66%) and poor price and value (17%) were the most frequently given reasons for having considered the purchase a "worst buy". None said the dealer had made it good to their satisfaction. Asked if they thought all were like that, 57 per cent said "yes", and 43 per cent said that this was a particular case. Asked if they still bought from the same place, one half said that they did and 87 per cent said they had told others about the situation or product, and a few replied "at every chance I got." The data are presented in Table 6.

It is interesting to compare the responses made to "returned items" and to "worst buys" together. A lack of quality was mentioned as the reason in most of the responses to both questions. However, there is considerable difference in replies to the probing questions of each. Asked if they had been given satisfaction, 90% of those who had returned items said "yes", whereas, for those mentioning "worst buys" all said that they had not been given satisfaction. To the question if they considered all of the items like that, 92 per cent of those who returned items said that this was just a particular case, whereas for those having made a "worst buy" only 43 per cent said that it was a particular case. Asked if they still bought from the same place, 87 per cent of those who had returned items said that they still do, whereas for those mentioning a "worst buy" only half said "yes". Asked if they had told others about the problem situation, 64 per cent of those returning items said they had, but 87 per cent of those making "worst buys" said "yes" and said so more emphatically.

Locating Items. The respondents were asked how often they were able to find what they were looking for. They were to respond according to a five point scale ranging from "always" to "never". About half (32) of the 60 respondents said they generally could find what they were looking for. About one

TABLE 6.—Responses to question concerning the worst buy respondents had ever made

Consumer reactions	Number of worst buys				All
	Life cycle stage				
	Under 30	30-49	50-64	65 and over	
<b>Product:</b>					
Clothing	4	7	2	3	16
Appliances	0	2	0	0	2
Food	0	0	2	0	2
Tape recorder	1	0	0	0	1
Car	0	0	0	1	1
<b>Reason:</b>					
Quality	4	5	3	0	12
Size	1	4	1	2	8
Trade practice	0	0	0	1	1
Not replying	0	0	0	1	1
<b>Did they make it good to your satisfaction?</b>					
Yes	3	5	1	0	9
No	0	0	0	1	1
Not entirely	0	0	0	0	0
Not replying	2	4	3	3	12
<b>Are they all like that, or is this just a particular case?</b>					
All like that	1	0	0	0	1
Particular case	2	5	4	1	12
Not replying	2	4	0	3	9
<b>Do you still buy from the same place?</b>					
Yes	4	5	3	1	13
No	0	0	1	0	1
Only when I have to	0	0	1	0	1
Not replying	1	4	0	2	7
<b>Did you tell anyone else about it?</b>					
Yes	4	5	0	0	9
No	0	1	2	0	3
Don't remember	0	0	0	2	2
Not replying	1	3	2	2	8

fourth (14) said they rarely could find what they were looking for, and the remaining fourth (14) were less definite. Their responses classified by stage in the life cycle, occupational status, income, and education are presented in Table 7.

Asked if they had any comments to the question, 54 of the respondents did have. Most of the comments (54%) concerned the difficulty of finding clothing, 17 per cent concerned the difficulty of finding food, particularly gourmet foods, seafoods, and foreign foods, 7 per cent concerned household items of various kinds, and the remainder concerned miscellaneous items and remarks about Manhattan stores. Their comments are quoted verbatim in Appendix D, classified by stage in the life cycle.

Price Comparison Shopping. The respondents were asked if they thought there was enough difference in prices to make price comparison shopping worthwhile. The number of replies were fairly evenly distributed between those who considered it "always" or "usually" worthwhile (24 out of 60) and those who considered it "never" or "rarely" worthwhile (26 out of 60). Their responses are presented in Table 8.

Price comparison shopping was considered to be worthwhile most often by housewives not gainfully employed, those under 50 years of age, and those whose education was limited to high school. It was most often considered not worthwhile by those housewives with gainful employment, those over 50 years of age, and those with education beyond high school.

The respondents were asked if they had any comments to make concerning the feasibility of price comparison shopping. A verbatim listing of these comments is presented according to stage in the life cycle in Appendix E.

TABLE 7.—Responses to question concerning frequency that the respondent could find what he was looking for

Respondent categories	General response					All
	Always	Usually	Sometimes	Rarely	Never	
Stage in life cycle	<u>2</u>	<u>30</u>	<u>14</u>	<u>14</u>	<u>0</u>	<u>60</u>
Under 30 years old	0	7	5	3	0	15
30 - 49 years old	0	8	4	3	0	15
50 - 64 years old	0	10	2	3	0	15
65 years or older	2	5	3	5	0	15
Occupational status	<u>2</u>	<u>30</u>	<u>14</u>	<u>14</u>	<u>0</u>	<u>60</u>
Housewife	1	15	10	8	0	34
Housewife with full-time employment	1	5	3	3	0	12
Housewife with part-time employment	0	4	1	1	0	6
Male	0	6	0	2	0	8
Family income	<u>2</u>	<u>30</u>	<u>14</u>	<u>14</u>	<u>0</u>	<u>60</u>
Less than \$3000	2	8	3	4	0	17
\$3000 - \$4999	0	10	3	0	0	13
\$5000 - \$7499	0	6	4	5	0	15
\$7500 - \$9999	0	3	3	4	0	10
\$10,000 or over	0	3	1	1	0	5
Education	<u>2</u>	<u>30</u>	<u>14</u>	<u>14</u>	<u>0</u>	<u>60</u>
8 years or under	2	2	1	2	0	7
9 - 11 years	0	1	2	1	0	4
12 years	0	16	5	7	0	28
13 years and over	0	11	6	4	0	21

To facilitate comparison, the comments were coded and tabulated, as shown in Table 9. Their distribution roughly corresponds with the distribution of the responses on the five point scale given in Table 8. About half (49%) of the comments affirmed the value of price comparison shopping, and about one-fourth said that they did not price shop. The emphasis given to shopping for "sales" and "specials" indicates an awareness of price and a need to economize. The youngest respondents were least responsive to this, except in the purchasing of large items, and more aware of the time and transportation costs of shopping around. The older respondents were those

TABLE 8.—Responses to question concerning the feasibility of price comparison shopping

Respondent categories	Some					No opinion	All
	Always	Usually	times	Rarely	Never		
Stage in life cycle	<u>7</u>	<u>17</u>	<u>9</u>	<u>19</u>	<u>7</u>	<u>1</u>	<u>60</u>
Under 30 years old	2	6	2	3	2	0	15
30 - 49 years old	2	6	1	5	0	1	15
50 - 64 years old	2	1	4	3	5	0	15
65 years or older	1	4	2	8	0	0	15
Occupational status	<u>7</u>	<u>17</u>	<u>9</u>	<u>19</u>	<u>7</u>	<u>1</u>	<u>60</u>
Housewife	3	13	4	11	2	1	34
Housewife with full-time employment	3	1	1	4	3	0	12
Housewife with part-time employment	0	0	2	3	1	0	6
Male	1	3	2	1	1	0	8
Family income	<u>7</u>	<u>17</u>	<u>9</u>	<u>19</u>	<u>7</u>	<u>1</u>	<u>60</u>
Less than \$3000	1	3	4	8	1	0	17
\$3000 - \$4999	2	7	3	0	1	0	13
\$5000 - \$7499	2	5	2	3	3	0	15
\$7500 - \$9999	1	1	0	6	2	0	10
\$10,000 or over	1	1	0	2	0	1	5
Education	<u>7</u>	<u>17</u>	<u>9</u>	<u>19</u>	<u>7</u>	<u>1</u>	<u>60</u>
8 years or under	0	2	1	4	0	0	7
9 - 11 years	3	0	0	1	0	0	4
12 years	1	12	6	5	4	0	28
13 years and over	3	3	2	9	3	1	21



TABLE 9.--Solicited comments to question concerning feasibility of price comparison shopping

Comments classified	Under 30	30-49	50-64	65 & over	All
Number of respondents commenting	<u>12</u>	<u>12</u>	<u>13</u>	<u>12</u>	<u>49</u>
Yes, if shop sales and specials	2	7	6	5	20
Yes, for large items	4	0	0	0	4
But quality must be considered	2	2	0	2	6
No, not worth cost in time and/ or transportation	5	4	1	3	13
No, some items cheaper, some more expensive, so it evens out	4	0	1	2	7
My only concern is finding it	0	0	1	1	2
I don't usually price shop	0	1	3	4	8
I shop only for brand names	0	0	1	1	2

who said their only concern was finding the item, that they did not usually price shop, or that they shopped only for name brands.

Reaction to Consumer "Problems in General". The respondents were asked what their reactions were when they bought something with which they were dissatisfied. The question was not in relation to a specific problem mentioned by the consumer, but to "problems in general." The respondents were given a list of ten possible reactions. The first two involved emotional but not remedial reactions, four were remedial steps involving the parties to the problem. These reactions were not mutually exclusive. Thus, one or more reactions could have been noted for each respondent when asked whether he

"usually or "sometimes" reacted in any of the ten ways. The reactions of the respondents are presented in Table 10.

The most frequent reaction mentioned by respondents was to tell the store about the problem (57 of 60). The next most frequent response was to take the item back (47 of 60). A less frequent reaction mentioned by respondents was to "sometimes" stop trading there, which largely depended on the attitude of the store when they took the item back (Table 11). Only infrequently had the respondents taken more "drastic" action such as, written the manufacturer, called or written the Better Business Bureau, their county home extension agent, their congressman or senator, or the Consumer Advisor to the President.

There appeared to be differences in the reactions of the two youngest age groups compared with the two oldest age groups. Of the 18 respondents who said they became angry on occasions when they bought something with which they were dissatisfied, 16 were in the two youngest age groups. Of those who said they would stop trading there, 19 of the 29 were respondents in the two youngest age groups. And of those who had taken more "drastic" action such as written or called their Better Business Bureau, their county home extension agent, the manufacturer, 12 of the 17 affirmative replies came from the two youngest age groups.

It appears that housewives with no gainful employment tended to have written the manufacturer and called the Better Business Bureau more frequently than those wives who were gainfully employed, which is perhaps due to having more time. Also, the strongest reaction for those respondents with less than a high school education was to take the item back when they were dissatisfied.

TABLE 10.--Response to question concerning usual reaction of respondent to unsatisfactory purchase

		Personal Reaction		Parties to the problem				Sources not connected with transaction				Number of respondents
		No-thing	Become angry	Tell store about it	Take back	Stop trading there	Write manufacturer	Write or call BBB	Write or call county extension agent	Write representative	Write consumer advisor to President	
Characteristics of respondents												
Stage in life cycle	Usually Sometimes	8 0	14 4	47 10	36 11	6 23	1 8	1 5	1 0	0 0	0 0	60
Under 30 years old	Usually Sometimes	2 0	6 2	10 4	7 5	2 10	0 2	0 1	0 0	0 0	0 0	15
30-49 years old	Usually Sometimes	1 0	7 1	12 3	12 2	1 6	0 4	1 2	1 0	0 0	0 0	15
50-64 years old	Usually Sometimes	3 0	1 1	12 3	8 3	2 3	0 2	0 1	0 0	0 0	0 0	15
65 years or older	Usually Sometimes	2 0	0 0	13 0	9 1	1 4	1 0	0 1	0 0	0 0	0 0	15
Occupational status	Usually Sometimes	8 0	14 4	47 10	36 11	6 23	1 8	1 5	1 0	0 0	0 0	60
Housewife	Usually Sometimes	4 0	11 1	28 4	26 4	2 13	0 5	1 4	1 0	0 0	0 0	34
Housewife with full-time employment	Usually Sometimes	2 0	3 3	8 4	3 6	3 7	1 1	0 0	0 0	0 0	0 0	12
Housewife with part-time employment	Usually Sometimes	2 0	0 0	2 2	2 0	0 0	0 1	0 0	0 0	0 0	0 0	6
Male	Usually Sometimes	0 0	0 0	9 0	5 1	1 3	0 1	0 0	0 0	0 0	0 0	8
Family income	Usually Sometimes	8 0	14 4	47 10	36 11	6 23	1 8	1 5	1 0	0 0	0 0	60
Less than \$3000	Usually Sometimes	4 0	0 1	12 3	9 1	0 5	0 1	0 1	0 0	0 0	0 0	17
\$3000 - \$4999	Usually Sometimes	2 0	3 2	10 3	8 2	1 5	0 2	0 0	0 0	0 0	0 0	13
\$5000 - \$7499	Usually Sometimes	1 0	2 0	13 1	8 4	2 4	1 2	0 2	0 0	0 0	0 0	15
\$7500 - \$9999	Usually Sometimes	1 0	4 1	8 2	7 3	3 4	0 1	0 1	0 0	0 0	0 0	10
\$10,000 or over	Usually Sometimes	0 0	5 0	4 1	4 1	0 5	0 2	1 1	1 0	0 0	0 0	5
Education	Usually Sometimes	8 0	14 4	47 10	36 11	6 23	1 8	1 5	1 0	0 0	0 0	60
Up to 12 years	Usually Sometimes	2 0	0 0	8 2	5 0	0 0	0 0	0 0	0 0	0 0	0 0	12
12 years (high school graduate)	Usually Sometimes	5 0	5 2	22 4	19 6	3 11	0 5	0 3	0 0	0 0	0 0	23
13 - 15 years	Usually Sometimes	1 0	4 2	12 1	9 2	2 6	0 1	1 0	1 0	0 0	0 0	16
16 years or more	Usually Sometimes	0 0	5 0	5 3	3 3	1 6	1 2	0 2	0 0	0 0	0 0	9

TABLE 11.—Unsolicited comments to question concerning usual reaction of respondent to unsatisfactory purchase

Reaction and unsolicited comment	Number of times mentioned				
	Under 30	30-49	50-64	65 & over	All
Total comments	16	14	3	9	42
Usually nothing	0	0	0	0	0
Become angry					
"If I paid quite a bit for it."	1	0	0	0	1
"Only if the store failed to do anything about it."	0	0	0	1	1
Tell the store and/or take it back					
"Sometimes, but not for minor problems."	3	0	0	0	3
"Would depend on how much it costs."	1	0	0	0	1
"Sometimes, if it isn't my fault."	0	1	0	0	1
"Always tell the store first."	0	0	1	0	1
"They usually make it right."	0	0	0	1	1
"Took some hamburger back, grocer said, 'you didn't have to buy it.'"	0	0	0	1	1
Do not trade there					
"Sometimes, would depend upon attitude of store when I took it back."	8	8	1	4	21
"Sometimes, if it was deliberate."	0	2	0	1	3
"Under no circumstances would I do this."	0	0	1	0	1
Write the manufacturer					
"Have been tempted to write about TV commercials."	1	0	0	0	1
"Sometimes, on bigger (more expensive) items."	1	0	0	0	1
"Wrote the manufacturer, but didn't receive an answer."	0	1	0	0	1
"If I couldn't get satisfaction from the dealer."	0	1	0	0	1
Write or call the Better Business Bureau					
"BBB is pretty weak. They just keep complaints on file. Need a stronger organization."	1	0	0	0	1
"Yes, about door-to-door salesman."	0	1	0	0	1
"When a company did not fulfill a contract."	0	0	0	1	1
Write or call the county Home Extension Agent	0	0	0	0	0
Write Congressman or Senator	0	0	0	0	0
Write Esther Peterson, the Consumer Advisor to the President	0	0	0	0	0

Although the respondents were not asked specifically to comment, many of them did so and their comments are presented in Table 11. More than half of their unsolicited comments to the ten reactions were to the reaction whether they would stop trading there if they were dissatisfied. Half of all the comments made was that it would depend on the attitude of the store when the item was returned.

#### Consumer Recognition of Principles and Practices in Market Place

In the third and final phase of the interview the respondents were asked to rate on a five point scale ranging from "fully agree" to "fully disagree", their opinions of four principles concerned with the rights of the consumer in the market place. These principles were based on the "four rights of the consumer" declared by the late President Kennedy, but his name was not mentioned in the interview.

There was nearly complete agreement (96%) with the principles. None disagreed with them, and only 4 per cent of the responses were expressions of partial agreement with the principles.

To determine the respondents' understanding and recognition of the principles, as manifested in actual practices, they were then asked their opinions of twelve market practices which violate these principles. They were asked to rate these twelve practices on a five point scale ranging from "perfectly all right" to "shouldn't be allowed." These unethical practices were considered all right 23 per cent of the time, and "no opinion" accounted for 5 per cent of the responses. The opinions of the respondents to the principles and practices are presented in Table 12.

TABLE 12.--Principles and practices in the market place

	Life cycle stage									
	Under 30		30-49		50-64		65 & over		All	
	No.	%	No.	%	No.	%	No.	%	No.	%
Four ethical principles										
All opinions	60	(100)	60	(100)	60	(100)	60	(100)	240	(100)
Full agreement	53	( 88)	58	( 97)	60	(100)	56	( 98)	230	( 96)
Partial agreement	7	( 12)	2	( 3)	0		0		9	( 4)
Partial disagreement	0		0		0		0		0	
Full disagreement	0		0		0		0		0	
No opinion	0		0		0		1	( 2)	1	( .4)
Twelve unethical practices										
All opinions	180	(100)	180	(100)	180	(100)	180	(100)	720	(100)
Right	42	( 23)	42	( 23)	35	( 19)	46	( 26)	165	( 23)
Wrong	134	( 74)	129	( 72)	134	( 74)	121	( 67)	518	( 72)
No opinion	4	( 2)	9	( 5)	11	( 6)	13	( 7)	37	( 5)

As presented in Table 13, the opinions of the respondents to each of the twelve practices differ, however, according to the particular situation described. Several practices were not recognized or considered unethical as frequently as others. Forty-eight of the 60 respondents thought the practice describing price-fixing (statement four) was all right. Forty-seven failed to identify an instalment charge quoted in terms of dollars as 15 per cent interest and considered the charge expressed in terms of dollars as all right (statement one). One-third of the respondents failed to identify an unfilled package as a violation of a consumer's right to be protected against false or misleading information (statement seven). Sixteen of the respondents thought it was all right for a manufacturer to put milk into two different containers and charge a higher price for one bearing a



TABLE 13.—Principles and practices in the market place

Twelve unethical practices		Life cycle stage				
		Under 30	30-49	50-64	65 & over	All
Individual practice (principle related to)	Opinions	15	15	15	15	60
1. Credit cost (to know)	Right	13	12	10	12	47
	Wrong	2	3	3	2	10
	No opinion	0	0	2	1	3
2. Insurance discrimination (of choice)	Right	3	1	2	2	8
	Wrong	11	12	9	9	41
	No opinion	1	2	4	4	11
3. Product discrimination (to facts)	Right	2	5	4	5	16
	Wrong	13	8	11	8	40
	No opinion	0	2	0	2	4
4. Collusion (to price competition)	Right	10	12	13	13	48
	Wrong	5	2	2	2	11
	No opinion	0	1	0	0	1
5. Credit cost (to know)	Right	1	2	2	0	5
	Wrong	12	13	10	14	49
	No opinion	2	0	3	1	6
6. Hidden price increase (against mislead- ing information)	Right	2	0	3	2	7
	Wrong	13	15	12	13	53
	No opinion	0	0	0	0	0
7. Deceptive packaging (against mislead- ing information)	Right	4	10	0	6	20
	Wrong	10	4	14	8	36
	No opinion	1	1	1	1	4
8. Misleading guarantee (against mislead- ing information)	Right	3	0	0	2	5
	Wrong	12	14	14	12	52
	No opinion	0	1	1	1	3
9. Insurance cancela- tion (of choice)	Right	1	0	0	0	1
	Wrong	14	15	15	14	58
	No opinion	0	0	0	1	1
10. Deceptive labeling (against mislead- ing information)	Right	1	0	1	2	4
	Wrong	14	15	14	13	56
	No opinion	0	0	0	0	0
11. Deceptive pricing (against mislead- ing information)	Right	1	0	0	2	3
	Wrong	14	13	15	12	54
	No opinion	0	2	0	1	3
12. Fraudulent repre- sentation (against mislead- ing information)	Right	1	0	0	0	1
	Wrong	14	15	15	14	58
	No opinion	0	0	0	1	1

well-known label, although 40 of the respondents considered it a malpractice (statement three).

Four of the practices described had been paired. Statements one and five concerned interest charges; statement one as a dollar charge and statement five as a rate. When expressed as a dollar charge 47 failed to identify it as 15 per cent interest and considered the dollar charge all right. When expressed in terms of the rate as in statement five, their opinions were almost totally reversed; only 5 of the respondents thought it was all right, and 49 thought it was too high. The other paired statements were two and nine concerning insurance. About two-thirds (41 out of 60) thought it was wrong for an insurance company to keep its premiums low by not insuring old people. However, when expressed in terms of an insurance company which canceled an aged policy holder after insuring him during his younger years, almost all (58 out of 60) thought this was wrong.

Although the respondents were not asked specifically to comment about the twelve practices, 182 unsolicited comments were made. These verbatim comments are listed by life cycle in Appendix F, and are summarized in Table 15. Most of the comments (60 out of 182) were to the effect that the described practice was a common experience, "done all the time." Almost three-fourths (73%) of which occurred in response to the last four statements describing insurance cancellation, deceptive labeling, deceptive pricing, and misrepresentation of product. Nine of the respondents said they had their health and accident insurance policy canceled exactly as described in statement nine. Seventeen of the unsolicited comments concerned the need for government. Although it is not clear how the respondents felt about government regulation they did tend to state a need for government where they

personally had been adversely affected. The greatest number of the comments calling for government regulation occurred in response to statement nine concerning the cancelation of insurance policies, which nine of them had experienced.

If the respondent considered the practice wrong, he was asked to identify whom he thought was responsible for eliminating the practice: the buyer, the manufacturer or dealer, the government, or any combination of these. Their replies are presented in Table 14. Respondents assigned responsibility to the dealer/manufacturer 54 per cent of the time, to the government 30 per cent of the time, and to the buyer 20 per cent. The youngest and oldest age groups appeared to place responsibility on the government slightly more than the middle two age groups. The 50-64 age group placed somewhat less responsibility on the consumer than did the other age groups. The oldest age group thought the responsibility should be shared more than did the other age groups.

However, the assignment of responsibility for eliminating the practice varied somewhat by the particular practice described. As did the unsolicited comments, most of those who considered the government wholly or partly responsible for eliminating the practice occurred for statements concerning insurance (two and nine), except the 50-64 age group, who thought the dealer was responsible. Government was also mentioned as being responsible more than the dealer or consumer for practices six and seven concerning packaging, and statement three concerning labeling. The consumer was considered most often responsible for statement five concerning interest. The dealer/manufacturer was considered most responsible for matters concerning automobiles and guarantees in statements eight and twelve, and for statements ten and eleven concerning labeling and fictitious pricing in retail stores.

TABLE 14.--Principles and practices in the market place

Responsibility for the practice	Life cycle stage						65 & over	All
	Under 30		30-49		50-64			
	No.	%	No.	%	No.	%	No.	%
Practices considered wrong	134 (100)		129 (100)		134 (100)		121 (100)	
Consumer (C)	28 (21)		29 (23)		20 (15)		27 (22)	
Manufacturer/Dealer (M/D)	70 (52)		67 (52)		78 (58)		65 (54)	
Government (G)	45 (34)		34 (26)		31 (23)		42 (35)	
Mutual responsibility (MR)	14 (10)		11 (9)		10 (8)		20 (17)	
No opinion (NO)	5 (4)		4 (3)		14 (10)		7 (6)	
	<u>C</u>	<u>M/D</u>	<u>G</u>	<u>MR</u>	<u>NO</u>	<u>C</u>	<u>M/D</u>	<u>G</u>
	<u>28</u>	<u>70</u>	<u>45</u>	<u>14</u>	<u>5</u>	<u>29</u>	<u>67</u>	<u>34</u>
	<u>11</u>	<u>4</u>	<u>20</u>	<u>78</u>	<u>31</u>	<u>10</u>	<u>14</u>	<u>27</u>
	<u>65</u>	<u>42</u>	<u>20</u>	<u>7</u>	<u>104</u>	<u>208</u>	<u>152</u>	<u>55</u>
	<u>30</u>	<u>3</u>	<u>30</u>	<u>6</u>	<u>30</u>	<u>3</u>	<u>30</u>	<u>30</u>
Practice								
1. Credit cost	0	1	1	0	0	1	1	2
2. Insurance discrimination	3	4	5	2	1	4	4	3
3. Product discrimination	3	7	5	2	0	4	3	4
4. Collusion (price-fixing)	0	2	3	0	0	0	1	0
5. Credit cost	9	4	2	3	0	6	5	1
6. Hidden price increase	2	7	4	0	0	3	6	5
7. Deceptive packaging	2	5	3	0	0	0	2	1
8. Misleading guarantee	2	9	3	2	9	2	12	1
9. Insurance cancellation	2	6	6	1	1	1	4	8
10. Deceptive labeling	2	8	5	2	1	3	8	6
11. Deceptive pricing	3	7	4	1	1	2	10	3
12. Fraudulent representation	0	10	4	1	1	2	13	1

TABLE 15.--Unsolicited comments to principles and practices in the market place

	Life cycle stage				All
	Under 30	30-49	50-64	65 & over	
Unsolicited comments:	<u>49</u>	<u>57</u>	<u>38</u>	<u>38</u>	<u>182</u>
Done all the time	11	22	17	10	60
Need government	3	4	3	2	12
Government shouldn't interfere	1	2	2	0	5
Happened to me/family	2	2	3	3	10
Other comments	32	27	13	23	95
Unsolicited comments by statement:	<u>49</u>	<u>57</u>	<u>38</u>	<u>38</u>	<u>182</u>
1. Credit cost	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>8</u>
Done all the time	1	0	0	0	1
Need government	0	0	0	0	0
Government shouldn't interfere	0	0	0	0	0
Happened to me/family	0	0	0	0	0
Other comments	1	2	2	2	7
2. Insurance discrimination	<u>3</u>	<u>2</u>	<u>2</u>	<u>5</u>	<u>12</u>
Done all the time	0	0	0	0	0
Need government	0	0	0	0	0
Government shouldn't interfere	1	0	0	0	1
Happened to me/family	0	0	0	0	0
Other comments	2	2	2	5	11
3. Product discrimination	<u>3</u>	<u>4</u>	<u>2</u>	<u>2</u>	<u>11</u>
Done all the time	1	2	1	1	5
Need government	0	0	0	0	0
Government shouldn't interfere	1	0	1	0	2
Happened to me/family	0	0	0	0	0
Other comments	1	2	0	1	4
4. Collusion (price fixing)	<u>3</u>	<u>1</u>	<u>2</u>	<u>1</u>	<u>7</u>
Done all the time	0	1	0	0	1
Need government	0	0	0	0	0
Government shouldn't interfere	0	0	1	0	1
Happened to me/family	0	0	0	0	0
Other comments	3	0	1	1	5
5. Credit cost	<u>1</u>	<u>3</u>	<u>2</u>	<u>3</u>	<u>9</u>
Done all the time	0	0	0	0	0
Need government	1	0	0	1	2
Government shouldn't interfere	0	0	0	0	0
Happened to me/family	0	0	0	0	0
Other comments	0	3	2	2	7

TABLE 15--Continued

6. Hidden price increase	<u>4</u>	<u>7</u>	<u>4</u>	<u>2</u>	<u>17</u>
Done all the time	0	2	1	1	4
Need government	0	1	1	1	3
Government shouldn't interfere	0	0	0	0	0
Happened to me/family	0	0	0	0	0
Other comments	4	4	2	0	10
7. Deceptive packaging	<u>2</u>	<u>5</u>	<u>3</u>	<u>2</u>	<u>12</u>
Done all the time	1	2	2	0	5
Need government	0	0	1	0	1
Government shouldn't interfere	0	0	0	0	0
Happened to me/family	0	0	0	0	0
Other comments	1	3	0	2	6
8. Misleading guarantee	<u>4</u>	<u>4</u>	<u>1</u>	<u>3</u>	<u>12</u>
Done all the time	0	0	0	0	0
Need government	0	1	1	0	2
Government shouldn't interfere	0	0	0	0	0
Happened to me/family	0	0	0	0	0
Other comments	4	3	0	3	10
9. Insurance cancellation	<u>6</u>	<u>9</u>	<u>7</u>	<u>7</u>	<u>29</u>
Done all the time	1	2	4	2	9
Need government	2	2	0	0	4
Government shouldn't interfere	0	1	0	0	1
Happened to me/family	2	2	3	2	9
Other comments	1	2	0	3	6
10. Deceptive labeling	<u>8</u>	<u>9</u>	<u>3</u>	<u>3</u>	<u>23</u>
Done all the time	4	5	1	2	12
Need government	0	0	0	0	0
Government shouldn't interfere	0	1	0	0	1
Happened to me/family	0	0	0	0	0
Other comments	4	3	2	1	10
11. Deceptive pricing	<u>6</u>	<u>8</u>	<u>5</u>	<u>4</u>	<u>23</u>
Done all the time	4	5	1	2	12
Need government	0	0	0	0	0
Government shouldn't interfere	0	1	0	0	1
Happened to me/family	0	0	0	1	1
Other comments	2	2	4	1	9
12. Misrepresenting product	<u>7</u>	<u>3</u>	<u>5</u>	<u>4</u>	<u>19</u>
Done all the time	3	1	4	2	10
Need government	0	0	0	0	0
Government shouldn't interfere	0	0	0	0	0
Happened to me/family	0	0	0	0	0
Other comments	4	2	1	2	9



## Discussion

Clothing was by far the most frequently mentioned consumer problem, and the frequent inability to find satisfactory clothing is perhaps a reflection of marketing practices based on the concept of a "typical" or "average" consumer. Those consumers who did not fit this stereotype were told they were an "odd size" or not typical. The frequency with which satisfactory clothing could not be found indicates that perhaps there are many "odd-sized" or untypical consumers.

The ability of human beings to adjust to their environment is evident in the adjustment of consumers to the market place. It is this adjustment of the consumer in the market place which, unfortunately for all, has been mistaken for "satisfaction" and "contentment" by such men as Senator Hruska, Mortimer, and Pattison. On the other hand, both Collazzo (1963) and Peterson (1965) emphasized that no businessman ought to mistake a lack of complaints for satisfaction, "...for there is an unmistakable fatalism toward what is regarded as the futility of individuals expressing themselves effectively in the maze of the market place." (Peterson, 1965) This study indicated furthermore that such fatalism can harden into a "two-edged" cynicism, harming the consumer and the ethical businessman alike. This cynicism was reflected in such comments as "done all the time" in response to an unethical business practice. Undoubtedly this is manifested in the form of distrust of the businessman and market place, to the detriment of both.

Sources of this consumer dissatisfaction and cynicism in the market place and distrust of the businessman may be apparent from two interesting examples taken from this study.

One woman who was interviewed purchased a pair of shoes which were not mates. After a few days of bravely trying to "break in" the mismatched shoes, she noticed that they were not mates and attempted to return them. She was unable to do so, the retailer claimed that she had worn the shoes.

Another respondent had broken her ankle. The X-rays of her ankle were read incorrectly and the cast was positioned wrong. She had to return to the hospital to have the cast "repositioned", and was kept in the hospital overnight. At 4:00 a.m. she was awakened to prepare her for a "gallbladder operation." She protested and was able to convince the hospital that another mistake had been made. When she received the bill for "services rendered", however, she found that she had been charged twice, for the initial incorrect positioning of the cast and for the repositioning of the cast, plus hospital charges. When she asked for an itemized statement of the charges, the request was refused. She asked her doctor about the charges, and was told that he did not handle any of the "business end" of his work, and that this was the responsibility of the hospital.

While it is true that these are only two examples from the sixty who were interviewed, and that it would be wrong to conclude that these are common occurrences, it is perhaps just as important to recognize that malpractices do occur, and they are not infrequent. Whether consumer problems are of the extreme forms as those expressed in the two examples or the more commonplace types of malpractices as those described in the twelve unethical practices which many of the respondents had actually experienced, such practices do exist. They cannot be construed as conducive to "satisfaction" and "contentment" in the market place, which some consumer critics claim exists.

## SUMMARY

All of the respondents had consumer problems of significance to them. As the open-end questions became more specific, more problems were identified. Problems with clothing were mentioned most frequently. Other major problem areas were with appliances, food, insurance, automobiles and related repairs and accessories, door-to-door salesmen and telephone sale approaches, in that order.

Although clothing was the major problem for all four age groups, the frequency of other problem areas varied by stages of the life cycle: for those under 30 years of age, food, automobile insurance, medical care, furniture and household items; for those 30-49 years of age, appliances, food and furniture and household items; for those 50-64, insurance; and for the oldest age group, over 65 years, door-to-door and telephone sales approaches were sources of major discontent.

Of the five possible reasons for problems, quality was most frequently mentioned, followed by shady trade practices, and inability to find the item. Poor service and high prices or poor value were of lesser importance. Poor service was more irritating than faulty products, and the consumers' reaction was to talk with the retailer and, if not satisfied, to trade elsewhere.

Responses to the relative difficulty of finding items were fairly evenly divided between those who usually could find what they were looking for and those who could not. Most of the solicited comments to this question concerned the difficulty of finding clothing, and to a lesser extent, foods, and household items.

The feasibility of price comparison shopping was fairly evenly divided between those who did and did not consider it worthwhile. Those with gainful

employment and education beyond high school more often considered it not worthwhile to price comparison shop.

Consumers were asked which of ten specified actions they take in regard to their consumer problems. Most reported their problem to the store, took the item back, or, on occasion, stopped trading with the store. Few had written the manufacturer or Better Business Bureau, or contacted their county home extension agent. None had ever written their congressman or Esther Peterson, the Consumer Advisor to the President, about a consumer problem. The two younger age groups tended to react more than the older two age groups. Most commented that they would stop trading at a store only if the retailer had a hostile attitude when they returned an item.

The third and final phase of the interview dealt with consumer identification of ethical principles and reactions to specific practices of the market which violated those principles. While there was almost complete agreement with four ethical principles attributed to consumers, when these principles were stated in terms of practices which violated those principles, less than three-fourths of the time were they acceptable. Respondents most frequently failed to identify price fixing or collusion and deceptive packaging as violations of those principles. They were also less opposed to insurance coverage discrimination policies than they were to insurance policy cancellation policies. Also, respondents considered 15 per cent interest too high, but when expressed in dollar terms, their replies were completely reversed, which indicates some confusion among consumers in the credit market.

Their unsolicited comments to the twelve unethical practices revealed that many thought of the practices described as common, as the "rule rather than the exception". This was typified by such a comment as "done all the

time" which was most frequently made regarding the last four practices describing insurance policy cancelation, deceptive labeling and pricing, and fraudulent representation of product. Nine of the respondents said they had their insurance policies canceled exactly as described in statement nine.

Assignment of responsibility for eliminating the unethical practice was attributed to the dealer/manufacturer about half of the time when the practice was wrong, the government about a third, and the buyer about a fifth of the time. This tended to differ slightly according to stage in the life cycle. This responsibility differed with the practice described. The government was considered most often responsible for practices concerned with insurance company malpractice (since many of the respondents had been personally affected by this), and for deceptive packaging and labeling. The consumer was considered responsible most often for not being more cautious in the use of credit. And the dealer/manufacturer was considered responsible most often for matters involving automobiles and guarantees, fictitious pricing and deceptive labeling.

#### CONCLUSIONS

The consumers interviewed have problems in the market place. These problems, as well as consumers' attitudes and reaction to them, differ according to consumption habits as measured by their particular stage in the life cycle, and to some extent by differences in income, education and employment status. Therefore, descriptions of a "typical" or "average" consumer are not only inaccurate and misleading, but may prove harmful to consumer welfare. Although consumers fully agree with principles which should prevail in the market place, they do not as readily agree when these are expressed in terms of practices of the market place.

## ACKNOWLEDGMENTS

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## APPENDICES

## APPENDIX A

April 5, 1965

Mr. Walter G. Barlow, President  
Opinion Research Corporation  
Research Park  
Princeton, New Jersey

Dear Mr. Barlow:

I am very interested in your recent study,  
"What Consumers Think - Consumers View Grocery  
Manufacturers, Products, and Packaging," prepared  
for the Grocery Manufacturers of America, Inc.

I would like to have a copy of the technical bulletin,  
interview schedule, sampling procedure, and other  
methodology pertaining to the study.

I will be happy to meet any costs incurred.

Sincerely yours,

Fred E. Waddell  
Graduate Research Assistant  
Department of Family Economics

FEW:lrw

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raia Packing Corp.

ral Counsel  
NK T. DIERSON

Mr. Fred E. Waddell  
Graduate Research Assistant  
Department of Family Economics  
Kansas State University  
Manhattan, Kansas 66504

Dear Mr. Waddell:

In reply to your letter to Mr. Barlow requesting additional information on GMA's Consumer Attitudes Study, I presume that you already have a copy of the report on the study entitled "What Consumers Think." In case you do not, I am enclosing a copy with this letter.

As you will note, this outlines the number of interviews obtained and indicates that the most "advanced probability sampling methods were used to ensure the greatest possible validity and reliability of the findings. These methods are widely used and accepted by research organizations, including agencies of the United States government."

We do not have available for distribution the other information which you requested. A limited number of copies of the more detailed report on the study are available at GMA's headquarters and anyone wishing to do so may review a copy in our office.

If you are going to be in the New York area at any time in the future, let me know, and I will be happy to have you come in and see us. If we can be of any further help, please let us know.

Sincerely,

*Robert W. Goodwin*  
Robert D. Goodwin  
Director, Public Relations

RDG:sjt  
Enclosure

April 15, 1965

*Kansas State University*

Manhattan, Kansas 66504

Department of Family Economics  
Justin Hall

Dear

We want to learn about problems people have

- . in buying  
food... tires... drugs... appliances....
- . in obtaining helpful information from  
TV commercials... advertising... labels...  
sales clerks....
- . in receiving satisfactory service from  
stores... TV repair... auto repair... insurance....  
guarantees... medical services....
- . If there are no problems we want to know that too.

Our best way to learn about these problems is to talk with consumers such as you. I want very much to talk with you personally, and will call upon you within the next few weeks.

All information will be held in strict confidence. It will be used only in a statistical report in which no person is identified.

If you have any questions about this study or would like additional information, we will be happy to hear from you. Thank you very much.

Sincerely yours,

Fred E. Waddell



## APPENDIX C

Time Began\_\_\_\_\_

Time Ended\_\_\_\_\_

Total Time\_\_\_\_\_

MR(S)\_\_\_\_\_:

I am Fred Waddell from Kansas State University. I am interested in your shopping experiences and would like to talk with you about any problems you may have when you shop and buy. (Anything you tell me will be held strictly confidential.)

A. Do you do most of the shopping for your family? YES\_\_\_\_\_ NO\_\_\_\_\_  
(If NO, terminate interview by asking for referral to family member who does most of the shopping.)

Mr(s)\_\_\_\_\_, some claim that people don't have any shopping or buying problems, while others claim that there are more problems than "meet the eye". I'd like to know your impression, Mr(s)\_\_\_\_\_.

1. Do you think that people have problems when they shop or buy?  
YES\_\_\_\_\_ NO\_\_\_\_\_

1. a. (If YES), could you give me an example?

(If NO), then you feel that people do not have any problems when it comes to shopping or buying?

Would you care to comment on this?

1. a. HAS THIS PROBLEM HAPPENED TO YOU OR A MEMBER OF YOUR FAMILY?

YES \_\_\_\_\_ NO \_\_\_\_\_

1. b. (If YES), what happened?

1. c. What did you do?

1. d. Should the manufacturer or dealer have done anything about it?

YES \_\_\_\_\_ NO \_\_\_\_\_ DON'T KNOW \_\_\_\_\_

1. d. 1. What?

1. e. Did they make it good to your satisfaction? YES \_\_\_\_\_ NO \_\_\_\_\_  
NOT ENTIRELY \_\_\_\_\_

1. f. Do you think that the \_\_\_\_\_ are all like that \_\_\_\_\_, or is this just a particular case \_\_\_\_\_?

1. g. Do you still buy from the same place? YES \_\_\_\_\_ NO \_\_\_\_\_ ONLY WHEN  
HAVE TO \_\_\_\_\_

1. h. Did you tell anyone else about it? YES \_\_\_\_\_ NO \_\_\_\_\_ DON'T REMEMBER \_\_\_\_\_

1. i. Is there anything else that you can tell me about this problem  
(situation)? YES \_\_\_\_\_ NO \_\_\_\_\_

2. HAVE YOU OR A MEMBER OF YOUR FAMILY BOUGHT ANYTHING (WITHIN THE PAST YEAR) THAT YOU DIDN'T LIKE, THAT WASN'T WORTH THE MONEY, OR DID NOT PERFORM AS IT SHOULD HAVE? YES \_\_\_\_\_ NO \_\_\_\_\_

2. a. (If YES), what?

2. b. Why didn't you like it, or what was wrong? (What happened?)

2. c. Did you do anything about it?

2. d. Should the manufacturer or dealer have done anything about it?  
YES \_\_\_\_\_ NO \_\_\_\_\_ DONT KNOW \_\_\_\_\_

2. d. 1. What?

2. e. Did they make it good to your satisfaction? YES \_\_\_\_\_ NO \_\_\_\_\_ NOT ENTIRELY \_\_\_\_\_

2. f. Do you think that the \_\_\_\_\_ are all like that \_\_\_\_\_, or is this just a particular case \_\_\_\_\_?

2. g. Do you still buy from the same place? YES \_\_\_\_\_ NO \_\_\_\_\_ ONLY WHEN HAVE TO \_\_\_\_\_

2. h. Did you tell anyone else about it? YES \_\_\_\_\_ NO \_\_\_\_\_ DON'T REMEMBER \_\_\_\_\_

2. i. Is there anything else that you can tell me about this problem (situation)? YES \_\_\_\_\_ NO \_\_\_\_\_

3. HAVE YOU OR A MEMBER OF YOUR FAMILY HAD ANY TROUBLE WITH BUYING OR BEEN DISSATISFIED WITH ANY OF THE FOLLOWING? (PLEASE CHECK AS MANY AS APPLY)

- |       |                                               |       |                                                            |
|-------|-----------------------------------------------|-------|------------------------------------------------------------|
| 3. W. | 1. Food_____                                  | 3. X. | 13. Public Eating Places_____                              |
|       | 2. House_____                                 |       | 14. Beauty or Barber Shops_____                            |
|       | 3. Clothing_____                              |       | 15. Hospitals_____                                         |
|       | 4. Car_____                                   |       | 16. Doctors or Dentists_____                               |
|       | 5. Radio or TV_____                           |       | 17. Dry Cleaners or Launderers_____                        |
|       | 6. Kitchen Appliances_____                    |       | 18. Door to Door Salesmen_____                             |
|       | 7. Furniture_____                             |       | 19. Telephone Sales Approaches_____                        |
|       | 8. Air Conditioner or (DE)<br>Humidifier_____ |       | 20. Movers (of furniture and<br>household belongings)_____ |
|       | 9. Vacuum Cleaner_____                        |       |                                                            |
|       | 10. Hearing Aid_____                          |       |                                                            |
|       | 11. Camera_____                               |       |                                                            |
|       | 12. Tires_____                                |       |                                                            |
| 3. Y. | 21. Radio or TV Repair_____                   | 3. Z. | 26. Charge Accounts_____                                   |
|       | 22. Auto Repair_____                          |       | 27. Installment Credit_____                                |
|       | 23. Household Appliance Repair_____           |       | 28. Guarantee_____                                         |
|       | 24. House Repair_____                         |       | 29. Contracts_____                                         |
|       | 25. Other Repair_____                         |       | 30. Insurance_____                                         |

What happened with those items checked as problems?

4. HAVE YOU OR A MEMBER OF YOUR FAMILY TAKEN ANYTHING BACK WITHIN THE PAST YEAR?  
YES \_\_\_\_\_ NO \_\_\_\_\_

4. a. (If YES,) what?

4. b. Why didn't you like it, or what was wrong? (What happened?)

4. c. Did you do anything about it?

4. d. Should the manufacturer or dealer have done anything about it?  
YES \_\_\_\_\_ NO \_\_\_\_\_ DON'T KNOW \_\_\_\_\_

4. d. 1. What?

4. e. Did they make it good to your satisfaction? YES \_\_\_\_\_ NO \_\_\_\_\_ NOT ENTIRELY \_\_\_\_\_

4. f. Do you think that the \_\_\_\_\_ are all like that \_\_\_\_\_, or is this just a particular case \_\_\_\_\_?

4. g. Do you still buy from the same place? YES \_\_\_\_\_ NO \_\_\_\_\_ ONLY WHEN HAVE TO \_\_\_\_\_

4. h. Did you tell anyone else about it? YES \_\_\_\_\_ NO \_\_\_\_\_ DON'T REMEMBER \_\_\_\_\_

4. i. Is there anything else that you can tell me about this problem (situation)?  
YES \_\_\_\_\_ NO \_\_\_\_\_

5. WHAT WOULD YOU SAY IS THE WORST BUY THAT YOU OR A MEMBER OF YOUR FAMILY EVER MADE?

5. b. Why didn't you like it, or what was wrong? (What happened?)

5. c. Did you do anything about it?

5. d. Should the manufacturer or dealer have done anything about it?

YES \_\_\_\_\_ NO \_\_\_\_\_ DON'T KNOW \_\_\_\_\_

5. d. 1. What?

5. e. Did they make it good to your satisfaction? YES \_\_\_\_\_ NO \_\_\_\_\_ NOT ENTIRELY \_\_\_\_\_

5. f. Do you think that the \_\_\_\_\_ are all like that \_\_\_\_\_, or is this just a particular case \_\_\_\_\_?

5. g. Do you still buy from the same place? YES \_\_\_\_\_ NO \_\_\_\_\_ ONLY WHEN HAVE TO \_\_\_\_\_

5. h. Did you tell anyone else about it? YES \_\_\_\_\_ NO \_\_\_\_\_ DON'T REMEMBER \_\_\_\_\_

5. i. Is there anything else that you can tell me about this problem (situation)? YES \_\_\_\_\_ NO \_\_\_\_\_



6. A. HOW OFTEN DO THE PLACES WHERE YOU SHOP HAVE WHAT YOU ARE LOOKING FOR?

ALWAYS \_\_\_\_\_ USUALLY \_\_\_\_\_ SOMETIMES \_\_\_\_\_ RARELY \_\_\_\_\_ NEVER \_\_\_\_\_

DO YOU HAVE ANY COMMENTS ABOUT THIS?

6. B. DO YOU THINK THAT THERE IS ENOUGH DIFFERENCE IN PRICES TO MAKE SHOPPING AROUND WORTHWHILE?

ALWAYS \_\_\_\_\_ USUALLY \_\_\_\_\_ SOMETIMES \_\_\_\_\_ RARELY \_\_\_\_\_ NEVER \_\_\_\_\_

DO YOU HAVE ANY COMMENTS ABOUT THIS?

7. WHAT DO YOU USUALLY DO IF YOU ARE DISSATISFIED WITH SOMETHING THAT YOU HAVE BOUGHT? (WRITE YES, NO, SOMETIMES BESIDE AS MANY AS APPLY)

USUALLY NOTHING \_\_\_\_\_

BECOME ANGRY \_\_\_\_\_

TELL THE PERSON OR STORE ABOUT IT \_\_\_\_\_

TAKE IT BACK \_\_\_\_\_

DO NOT TRADE THERE ANYMORE \_\_\_\_\_

WRITE THE MANUFACTURER \_\_\_\_\_

WRITE OR CALL THE BETTER BUSINESS BUREAU \_\_\_\_\_

WRITE OR CALL THE COUNTY HOME EXTENSION AGENT \_\_\_\_\_

WRITE YOUR CONGRESSMAN OR SENATOR \_\_\_\_\_

WRITE ESTHER PETERSON, THE CONSUMER ADVISOR TO PRESIDENT JOHNSON \_\_\_\_\_

I. THE FOLLOWING 4 STATEMENTS PERTAIN TO THE MARKET PLACE. PLEASE READ THE STATEMENTS AS I READ THEM TO YOU. THEN TELL ME WHETHER YOU ---

		NOT SURE OR		
<u>FULLY AGREE</u>	<u>PARTLY AGREE</u>	<u>NO OPINION</u>	<u>PARTLY DISAGREE</u>	<u>FULLY DISAGREE</u>

1. A person has a right to safety - to be protected against goods which are dangerous to health and safety.
2. A person has a right to be protected against false or misleading information.
3. A person has a right to be given the facts he needs to make an informed choice when he buys.
4. A person has a right to have a choice from a variety of products at fair and competing prices.

II & III. THE FOLLOWING 12 STATEMENTS DESCRIBING EVENTS THAT CAN TAKE PLACE IN THE MARKET PLACE WILL BE READ TO YOU. PLEASE READ THE STATEMENTS AS I READ THEM TO YOU. THEN TELL ME WHETHER YOU THINK THE PRACTICE IS --

NOT SURE

PERFECTLY ALL RIGHT    ALL RIGHT    NO OPINION    WRONG    SHOULDN'T BE ALLOWED

IF YOU THINK THE PRACTICE IS WRONG OR SHOULDN'T BE ALLOWED, PLEASE TELL ME WHO YOU THINK IS RESPONSIBLE FOR THE SITUATION, THE --

BUYER                      DEALER                      MANUFACTURER                      GOVERNMENT

1. A company sold a \$100 sewing machine to someone on a one year installment plan. The payments, including carrying charges, were \$9 a month for 12 months.
2. An insurance company keeps its premiums low by eliminating the aged and those who need hospitalization.
3. A certain brand of canned milk is the same milk sold in another can with a well-known national label for 3¢ more.
4. A drug manufacturer produced an antipolio drug. It was the same drug as sold by 3 other firms. He therefore made an agreement with the heads of the 3 competing companies that they would all charge the same price for the drug.
5. A company sold a vacuum sweeper to someone for \$100 on which the person paid 14.7% interest in one year.
6. A macaroni producer raised his price on a package of macaroni then put less macaroni in the same size box at the same price.
7. A candy manufacturer filled his packages only 3/4 full.
8. A person bought a brand new car with a 5 year, 50,000 mile guarantee. A week later the steering broke causing the car to smash against a wall. She was told by the dealer that this was not included in the guarantee and they would not fix the car or the steering without charge.
9. A person 65 years old had a health insurance policy with a certain company for 35 years. She had to go to the hospital for an operation. The insurance company paid the claim and then canceled her policy and would not renew it. (They said she was too old and was a poor risk.)
10. A company labeled its detergent "New Improved" although nothing had been changed but the box.
11. A clothing store put a \$15 price tag on a \$10 sweater, then it crossed out the \$15 and wrote "Sale, \$10, reduced from \$15".
12. A company sold a car to someone after it had turned back the speedometer from 30,000 to 10,000 miles.

## 8. PLEASE CHECK THE FOLLOWING:

8. q. 1. Housewife\_\_\_\_\_
2. Housewife with full-time employment  
(36 hours or more per week)\_\_\_\_\_
3. Housewife with part-time employment  
(less than 36 hours per week)\_\_\_\_\_
4. Male\_\_\_\_\_

8. r. 1. Married, under 30 years of age\_\_\_\_\_
2. Married, 30 - 49 years of age\_\_\_\_\_
3. 50 - 64 years of age\_\_\_\_\_
4. 65 years of age and older\_\_\_\_\_

## 8. s. Total income of family after taxes:

Less than \$3,000\_\_\_\_\_

\$3,000 - \$4,999\_\_\_\_\_

\$5,000 - \$7,499\_\_\_\_\_

\$7,500 - \$9,999\_\_\_\_\_

\$10,000 or over\_\_\_\_\_

8. t. Please give the last year of schooling completed.\_\_\_\_\_

## APPENDIX D

## 6. A. How often do the places where you shop have what you are looking for? (comments)

<u>FREQUENCY</u>	<u>CATEGORY</u>	<u>SPECIFIC ITEMS MENTIONED</u>
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		<u>Stage in Life Cycle</u>
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		I (Under 30 years old)
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8	Clothing	<p>"Clothing hardest to find, usually settle for something else or go to Topeka."</p> <p>"Men's clothing, except for underclothing and socks."</p> <p>"Clothing, particularly during holiday season, usually must settle for something else, 9 out of 10 times."</p> <p>"Ties, poor selection."</p> <p>"Slacks, women's."</p> <p>"Work uniforms, women's."</p> <p>"Tux."</p> <p>"Zippers."</p>
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		II (30 - 49 years old)
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11	Clothing	<p>"Clothing hardest to find, hat for little girl."</p> <p>"Shoes for little girl, dress shoes that can be worn with anklets."</p> <p>"Matching clothing for twin girls in the same size."</p> <p>"Women's shoes, winter coats for children after October."</p> <p>"Particularly can't find clothes."</p> <p>"Clothing for little girl (Jr petite size). They are understocked continually."</p> <p>"Clothing hardest to find, next to impossible. Mostly children's clothing."</p> <p>"Usually can't find clothing."</p> <p>"They are understocked in clothing stores continually."</p> <p>"Dress material."</p> <p>"Dress material."</p>
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		III (50 - 64 years old)
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5	Clothing	<p>"No moderately priced clothing, can't find."</p> <p>"Dresses and other items of women's clothing which are moderately prices."</p> <p>"Usually impossible to find clothing, so go to Topeka."</p> <p>"Can't find matching coats for little girls."</p> <p>"Men's clothing, can't find, styles are ugly and not for old men, if can't find what I want I do without."</p> <p>"Men's hats."</p>
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		IV (65 years old and over)
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5	Clothing	<p>"Common occurrence not to find clothing." (my size usually goes out first.)</p> <p>"Usually can't find clothes."</p>
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<u>FREQUENCY</u>	<u>CATEGORY</u>	<u>SPECIFIC ITEMS MENTIONED</u>
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<u>Stage in Life Cycle</u>		
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IV (65 years old and over)		
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<p>"Type of clothing not designed for older person."            "Sometimes can't find clothing (I am an odd size)."            "Man's shirts, can't find at any price." (Have a large neck size.)</p>		
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TOTAL CLOTHING - 29		
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I (Under 30 years old)		
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3	Food	<p>"Seafood, artichokes, and other 'gourmet foods'."            "Mexican food."            "Meat."</p>
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II (30 - 49 years old)		
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2	Food	<p>"Foreign food."            "Can't find one or two items every time I go to grocery store."</p>
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III (50 - 64 years old)		
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2	Food	<p>"Rarely can find what I want in a grocery store."            "One particular food item I could not find."</p>
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IV (65 years old and over)		
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2	Food	<p>"Grocery stores are a little slow about getting new products."            "Grocers do not stock everything that they should (grocer replies that they do not have it because it is not on the list)."</p>
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TOTAL FOOD - 9		
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I (Under 30 years old)		
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1	Household Items	"Picture frames."
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II (30 - 39 years old)		
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3	Household Items	<p>"Furniture."            "Curtain brass rods."            "Household lamps, poor selection. Ended up buying from catalog."</p>
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TOTAL HOUSEHOLD ITEMS - 4		
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FREQUENCY    CATEGORY    SPECIFIC ITEMS MENTIONED

Stage in Life Cycle

I (Under 30 years old)

1            Manhattan    "Topeka stores seem to have more."  
Stores

II (30 - 49 years old)

3            Manhattan    "Hardest to find items during holiday season such as  
Stores            Christmas."  
"Manhattan is a poor shopping town. Stores are limited  
and cater to college crowd. They are understocked."  
"Usually can find what you want, but may have to go  
to several stores."

III (50 - 64 years old)

4            Manhattan    "Usually can find clothing if you are willing to pay  
Stores            enough."  
"Usually can find what you want in Manhattan, if you  
are willing to pay enough, or make up your mind to  
be satisfied."  
"Dry goods have improved over the past few years."  
"Considering the size of the town, they have a good  
selection of merchandising."

IV (65 years old and over)

1            Manhattan    "Sometimes you have to go to several stores but you  
Stores            can find it."

TOTAL MANHATTAN STORES - 9

I (Under 30 years old)

1            Miscellaneous "Cigarette filters."

IV (65 years old and over)

2            Miscellaneous "Armstrong Wood Floor Cleaner." (Tried a half dozen  
stores and could not find it.)  
"Frequently can't find dime store items and must  
order out of catalog."

TOTAL MISCELLANEOUS - 3

## APPENDIX E

6. b. Do you think there is enough difference in prices to make shopping around worthwhile?

SPECIFIC RESPONSES AND COMMENTSStage in Life Cycle

## I (Under 30 years old)

1. "Not much difference among stores within the town. Manhattan is higher than Topeka." "I shop for specials in food."
2. "For major items yes, for price and quality." "For minor items the amount spent on gas and in time make it not worth it."
3. "Costs in terms of gas and time would not make it worthwhile."
4. "For price, no; for quality, yes."
5. "For food and clothing, yes. Bigger items prefer to go out of town."
6. "Bigger the item, the more it pays." "I shop the grocery specials."
7. "We do much comparative shopping, but for quality as well as price."  
"Chain stores seem cheaper."
8. "Sometimes, depends on what you're shopping for."
9. "No, if item is cheaper another item in the store will be more expensive."  
"Costs in terms of transportation and time does not make it worthwhile."
10. "Some items cheaper, some more expensive, so it evens out." (Food)  
"Dine store items are about the same everywhere." "Clothing it pays to shop around."
11. "Some items cheaper some more expensive, so it evens out." "Not worth the time and gas."
12. "No, all of the stores have about the same thing at the same price."  
"Not worth the time."

## II (30 - 49 years old)

1. "Usually not worthwhile in terms of gas and time, which makes it even more expensive." "At grocery stores, yes."
2. "Yes, particularly for a large item."
3. "Prices don't always indicate quality."
4. "Can save a little if shop specials in food, but costs in time and gas doesn't make it worthwhile."
5. "I don't buy at higher priced stores unless a sale is on."
6. "Always for food." "If you have all day to shop specials." "Doesn't always justify cost in time and gas."
7. "Occasionally, but not usually because it is time and gas consuming."
8. "In discount places you get inferior goods, others have mentioned this."
9. "There is around Christmas time; I am inclined to buy without looking around."
10. "It is getting more so." "I stock up on food specials."
11. "Not much difference unless you have a lot of time."
12. "Always, particularly in groceries; in other items too."

SPECIFIC RESPONSES AND COMMENTSStage in Life Cycle

## III (50 - 64 years old)

1. "Never in groceries; think all of the stores follow one price as all their prices seem the same." "Manhattan is a high-priced town due to presence of college and the military."
2. "Some prices on brand items are fixed such as on clothes, the same here as anywhere, except for sales." "I usually shop by phone." "Sales are bigger in Topeka than here." (More discount)
3. "No, except for food specials."
4. "Definitely."
5. "Sometimes, during sales, but usually while some items are cheaper, some are more expensive."
6. "Sometimes, depends on the places as some sales are worthwhile, some not."
7. "Always on groceries I shop specials."
8. "Never. I shop for brand names."
9. "Not very often."
10. "Not worth it in terms of time and transportation costs."
11. "Never, the most important thing is finding it."
12. "Not usually. Prices are pretty standard, unless a store is having a sale."
13. "I don't shop for price. If I want it I buy it."

## IV (60 years old and over)

1. "Sometimes, I shopped around when I bought an auto; but I don't do much price shopping myself."
2. "Rarely. I buy by brand as brand names usually mean quality." "If I find something that I like I do not worry about price."
3. "Sometimes, but prices are high all over."
4. "Some items are cheaper, some are higher; it evens out in the long run."
5. "Quality and price must be considered together." "I usually shop for quality, not for price."
6. "Yes, in groceries for example. If you could get around, but a person like me who can't get around would spend more in car fare than would be worth."
7. "Wait for sales and then stock up, but usually not worth it, except for food."
8. "Always shop the specials, particularly at discount stores." "One store has specials one week and another has sales another week."
9. "On groceries, yes. On other items no. Time not important to us since we are retired."
10. "There would be in food if I had a big family." "Usually not worth the costs in time and gas."
11. "No, not too much. The costs in time and transportation don't make it worthwhile."
12. "Yes, shop food specials in newspapers. Don't price shop much, only shop to find what I will be satisfied with."

## APPENDIX F

## UNSOLICITED COMMENTS

1. A COMPANY SOLD A \$100 SEWING MACHINE TO SOMEONE ON A ONE YEAR INSTALLMENT PLAN. THE PAYMENTS, INCLUDING CARRYING CHARGES, WERE \$9 A MONTH FOR 12 MONTHS.

## Under 30 years

- a. "A lot of people don't realize this at the time."
- b. "Companies all charge in excess of 20% interest."  
"Why should finance companies have to charge as high as 30% in a loan. I think the government should look into this and straighten these companies out."

## 30 - 49 years

- a. "Would depend on who was borrowing it (the risk)."
- b. "Should be more wary."

## 50 - 64 years

- a. "We don't buy on installment plans."
- b. "Oh, that's 8%!"

## 65 years and over

- a. "Installment deals are getting to be a kind of graft--sometimes mount up to 18%." "People don't realize what they are paying."
- b. "I think carrying charges are too high."

2. AN INSURANCE COMPANY KEEPS ITS PREMIUMS LOW BY ELIMINATING THE AGED AND THOSE WHO NEED HOSPITALIZATION.

## Under 30 years

- a. "If I were a young person, it would be O.K., if I were old, no."
- b. "The government has too much authority now."
- c. "No opinion."

## 30 - 49 years

- a. "No opinion."
- b. "Responsibility for eliminating this must come from people."

## 50 - 64 years

- a. "Perfectly legal."
- b. "When you get old, you are a forgotten person. If they take your money while you're younger, they should take it while you're older."

65 years and over

- a. "I am against Medicare."
- b. "You can't depend on advertising."
- c. "I have paid up "Blue Cross, Blue Shield."

3. A CERTAIN BRAND OF CANNED MILK IS THE SAME MILK SOLD IN ANOTHER CAN WITH A WELL-KNOWN NATIONAL LABEL FOR 3¢ MORE.

Under 30 years

- a. "No way for the buyer to know."
- b. "If it is the same it should be the same price."
- c. "I know it's done, but it's wrong."

30 - 49 years

- a. "Do it all the time."
- b. "Manufacturer should have enough ethics not to do it because people don't know it."
- c. "But it happens all the time."
- d. "Rather see this company try to be fair. All retailers are the same."

50 - 64 years

- a. "The Government should stay out of it."
- b. "We saw this in a packaging company in Texas, taking labels off and putting different ones on."

65 years and over

- a. "You will find this."
- b. "They have to pay for their advertising."

4. A DRUG MANUFACTURER PRODUCED AN ANTIPOLIO DRUG. IT WAS THE SAME DRUG AS SOLD BY 3 OTHER FIRMS. HE THEREFORE MADE AN AGREEMENT WITH THE HEADS OF THE 3 COMPETING COMPANIES THAT THEY WOULD ALL CHARGE THE SAME PRICE FOR THE DRUG.

Under 30 years

- a. "The buyer couldn't do anything about it."
- b. "Assistant to Manufacturer etc. - at fault as well as manufacturer."
- c. "The buyer couldn't know, and couldn't do anything about it."

30 - 49

- a. "But they do it all the time."

50 - 64

- a. "Prices should be established."
- b. "Price fixing!? "The government ought to stay out! The company ought to be morally sound enough not to force the government to do something."

65 years and over

- a. "Competition could cut down on the quality."

5. A COMPANY SOLD A VACUUM SWEEPER TO SOMEONE FOR \$100 ON WHICH THE PERSON PAID 14.7% INTEREST IN ONE YEAR.

Under 30 years

- a. "I think the government should control this by placing limits."

30 - 49 years

- a. "The manufacturer would never do this in their town."
- b. "No opinion."
- c. "Morally wrong but they have a right to do it. I'm for free enterprise."

50 - 64 years

- a. "It is up to the buyer and the dealer."
- b. "The interest is incidental if they can make the payments."

65 years and over

- a. "They should do more figuring on the interest."
- b. "I want to get away from too much regulation, but sometimes it is necessary. But the company shouldn't take advantage of them."
- c. "They won't change on their own accord."

6. A MACARONI PRODUCER RAISED HIS PRICE ON A PACKAGE OF MACARONI, THEN PUT LESS MACARONI IN THE SAME SIZE BOX AT THE SAME PRICE.

Under 30 years

- a. "Many buyers don't look."
- b. "Much harder to notice the 2nd price increase. Even changing the weight wouldn't matter, as no one could know."
- c. "The producer wouldn't do it by himself."
- d. "Crisco shortening added nitrogen gas to its shortening that made it lighter, but same size can."

30 - 49 years

- a. "Producers should do something about it, but they don't."
- b. "But they do it all the time."



- c. "All those companies should have enough fair-mindedness not to do this to the individual. Expect them to be fair with you."
- d. "Don't like to see the government do it; but the companies probably wouldn't do it."
- e. "Have to keep watching, as the ounces etc. are less."
- f. "They all do this, not much choice."
- g. "Manufacturers should first stop doing it on their own before the government steps in."

## 50 - 64 years

- a. "If I could tell the manufacturer to get normal size servings."
- b. "But manufacturers will have to be forced to get rid of this."
- c. "That's what they've been doing for years on almost all products."  
"Candy bars get smaller and smaller, one day they are going to forget to put the candy bar in the wrapper."
- d. "I don't think I've ever had that happen." "The consumer should simply stop buying this."

## 65 years and over

- a. "You see this in candy bars."

## 7. A CANDY MANUFACTURER FILLED HIS PACKAGES ONLY 3/4 FULL.

## Under 30 years

- a. "Because so many times you go by size of box."
- b. "Fairly common that packages aren't filled."

## 30 - 49 years

- a. "Are any packages ever full?"
- b. "That's what you're buying--weight."
- c. "So often true, perhaps I'm just used to it if the weight's on it."
- d. "If we are not smart enough to figure it out..."
- e. "I'm sure there are laws to prevent this already."

## 50 - 64 years

- a. "This happens all the time."
- b. "I bought a box of cereal that was empty about 4 inches. Maybe some reasons for it, it could settle. This was also done in a can of beans."
- c. "But if the manufacturer doesn't do it, then the government will."

## 65 years and over

- a. "We should be watching labels, so size of box would not matter."
- b. "We need a packaging law like that one proposed today."

8. A PERSON BOUGHT A BRAND NEW CAR WITH A 5 YEAR, 50,000 MILE GUARANTEE. A WEEK LATER THE STEERING BROKE CAUSING THE CAR TO SMASH AGAINST A WALL. SHE WAS TOLD BY THE DEALER THAT THIS WAS NOT INCLUDED IN THE GUARANTEE AND THEY WOULD NOT FIX THE CAR OR THE STEERING WITHOUT CHARGE.

Under 30 years

- a. "Guarantee should include it."
- b. "They're responsible in the first place."
- c. "It's not right; a guarantee should be a full guarantee."
- d. "It is natural to assume that it would cover anything that could go wrong with a new product."

30 - 49 years

- a. "The company should correct it but won't."
- b. "You think of a guarantee as a full guarantee, not excepting a lot of fine points from it."
- c. "A guarantee should cover this."
- d. "I don't know why it wouldn't be included in the guarantee."

50 - 64 years

- a. "Guarantees are funny." "A lot of things are not included in your guarantee."

65 years and over

- a. "This person was dumb to buy a car with that kind of guarantee."
- b. "It should be guaranteed against anything."
- c. "This should be a part of the guarantee--if not, then it is no guarantee."

9. A PERSON 65 YEARS OLD HAD A HEALTH INSURANCE POLICY WITH A CERTAIN COMPANY FOR 35 YEARS. SHE HAD TO GO TO THE HOSPITAL FOR AN OPERATION. THE INSURANCE COMPANY PAID THE CLAIM AND THEN CANCELED HER POLICY AND WOULD NOT RENEW IT. (THEY SAID SHE WAS TOO OLD AND WAS A POOR RISK.)

Under 30 years

- a. "This is not the purpose of insurance at all. This is contrary to the purpose of insurance."
- b. "Government should do it, because I don't know of any other agency that could do it."
- c. "The government should pass a law to eliminate this."
- d. "Legally, but not morally right."
- e. "Done all the time. The same thing happened to my husband for insurance on car which was damaged by hail, but there is nothing you can do about it."
- f. "Just exactly what happened to my folks."

## 30 - 49 years

- a. "Government is the only one to do it."
- b. "If the company didn't do it then the government should step in."
- c. "Not the buyer's fault, the company needs to have a conscience of its own." "Hate to see the government forced to step in all the time."
- d. "I don't believe in cancelable insurance."
- e. "Happened to a friend I work with. Had a policy with Mutual of Omaha."
- f. "Terrible because she had been paying in for years."
- g. "Happened to our parents."
- h. "Insurance company should be allowed to do this." "It is not a wise thing though."
- i. "They can't do that. Should be careful when they took the policy out."

## 50 - 64 years

- a. "It happened to my brother who had cancer."
- b. "I have heard of this very practice."
- c. "Sometimes it would cost entirely too much to get back on."
- d. "I had that happen to me." "Daughter had rheumatic fever. The insurance company paid the claim and then took her off, (canceled her policy). I took out a life insurance policy - but with another company."
- e. "The state has to eliminate this."
- f. "I had this happen to me. I had an accident, they paid the claim and then canceled my policy when I had diabetes."

## 65 years and over

- a. "I had it happen to my husband. He carried it all his life and he was not even 65 (in his 50's). They paid his claim and then canceled his policy. I told others about it at every chance."
- b. "It has been done in my family."
- c. "If you pay in for that insurance they expect you to get old, don't they!"
- d. "Now is the time that she needs it and she won't have it as it has been taken away, when she didn't need it, it was there."
- e. "That is a poor insurance company. She was misled by the company."
- f. "The company should inform them in advance of this."
- g. "Absolutely wrong."

## 10. A COMPANY LABELED ITS DETERGENT "NEW IMPROVED" ALTHOUGH NOTHING HAD BEEN CHANGED BUT THE BOX.

## Under 30 years

- a. "Deceptive advertising."
- b. "Almost every product does it. No one pays any attention to it any more."
- c. "I suppose some of them do it though."
- d. "Misrepresentation. 'New Improved' should apply to the ingredients - you're not going to use the box."
- e. "False advertising."
- f. "They all bear false claims, I think. It will never be eliminated."

- g. "I never thought about that."
- h. "They all do that, and I don't pay any attention to it; none of them do what they say they will."

## 30 - 49 years

- a. "Done all the time."
- b. "Misinformation."
- c. "I don't believe the ads anyway."
- d. "I don't like it when they do that."
- e. "Misrepresentation."
- f. "No opinion."
- g. "But doesn't it go on all the time, particularly of soap powders?"  
"I thought the manufacturer had a code of ethics."
- h. "But can't fool people very long." "This is lying." "I sure don't want the government to do it."
- i. "I'll bet they do that all the time--but it's not too important."  
"Consumers don't believe all these claims anyway."

## 50 - 64 years

- a. "But what could we do?"
- b. "If it had 'New Improved' I would take it for granted."
- c. "It happens all the time. You take their word that it is an honest statement."

## 65 and over

- a. "All right if they can get by with it."
- b. "They do it constantly."
- c. "A common practice."

11. A CLOTHING STORE PUT A \$15 PRICE TAG ON A \$10 SWEATER, THEN IT CROSSED OUT THE \$15 AND WROTE "SALE", \$10, REDUCED FROM \$15.

## Under 30 years

- a. "Should be buyer's responsibility."
- b. "Better Business Bureau should make them stop it."
- c. "No way a person could know."
- d. "Done in quite a few clothing stores."
- e. "I work for a store that does not do that. This hurts the good merchants."
- f. "Many discount houses do this. False facts, consumer can't decide because of misinformation."

## 30 - 49 years

- a. "Not very ethical."
- b. "Done all the time."
- c. "Happens all the time."
- d. "Happened to me many times."
- e. "I worked in a store where this was done." "This couldn't be a universal practice but it does happen."
- f. "Happens all the time. I worked at a store that did it."

- g. "It's morally wrong, but it's their right to do it. I'm sure it's done all the time."
- h. "I'll bet they do this all the time, too." "Everything is cut rate, discount. A person shouldn't be fooled by this anyway. I think you should shop for quality."

## 50 - 64 years

- a. "It is done all the time."
- b. "It is done all the time."
- c. "This is preying on ignorance."
- d. "It happens all the time." "All of these should come under the Better Business Bureau."
- e. "I've heard that a lot."

## 65 years and over

- a. "They do this all the time."
- b. "I don't think that many do this, although I have seen a furniture store do this."
- c. "I find this a lot."
- d. "They're just crooks." "If people knew they could eliminate this kind of thing."

12. A COMPANY SOLD A CAR TO SOMEONE AFTER IT HAD TURNED BACK THE SPEEDOMETER FROM 30,000 TO 10,000 MILES.

## Under 30 years

- a. "Manufacturer has some control over his dealers. Part of responsibility for their 'franchisees'."
- b. "A person can't tell."
- c. "That is what they done to my car. I looked at my car after I traded it in, they turned it back 26,000 miles."
- d. "They have to make money."
- e. "He shouldn't do it, but I doubt if there is anything to keep him from it."
- f. "Done quite a bit on used cars."
- g. "I know this is professionally (sic) done."

## 30 - 49 years

- a. "Do this all the time, too."
- b. "Misrepresentation."
- c. "Primarily buyers should be more careful in every purchasing situation."

## 50 - 64 years

- a. "It is done all the time."
- b. "But they all do it, I imagine."
- c. "It is done all the time, probably."
- d. "It is done all the time."
- e. "If done, the buyer should be told."

## 65 years and over

- a. "They all do that." "It doesn't seem fair."
- b. "What's the difference of doing this or stealing \$5.00?"
- c. "It is done all the time. It's a pretty hard thing to control."
- d. "It's stealing!"



CONSUMER IDENTIFICATION WITH CONSUMER PROBLEMS,  
Manhattan, Kansas

by

FREDERICK EMERSON WADDELL

B.A., University of Kentucky, 1961

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AN ABSTRACT OF A MASTER'S THESIS

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The recent emphasis placed on the role of the consumer in the economy and efforts to protect and make that role more effective have been met with a barrage of criticism from businessmen and legislators claiming that there exists an "average" or "typical" consumer, who is already overprotected, that "consumer sovereignty" already permeates the market place, and that consumers, in general, are satisfied in the market place. The purpose of this study was to determine whether such allegations are true, in fact, or whether consumers do have consumer problems. The objectives of the study were:

To determine whether individuals of Manhattan, Kansas have consumer problems that they will identify and relate in an interview.

To determine whether the types of problems identified reflect the different consumption patterns of individuals of different stages in the life cycle.

To determine if the respondents would agree with certain ethical rights attributed to consumers and would recognize these ethical principles in various practices that they encounter in the market place.

The respondents were selected from the population of Manhattan, Kansas on the basis of a stratified random sample, with equal numbers in each strata based on four stages of the life cycle. The interview schedule consisted of three phases, so that it proceeded from general to specific open-end questions in the first phase, to rating attitudes and reactions of the respondents in the second phase, to rating consumer identification of principles and practices in the market place, in the third phase. Information was coded and classified primarily according to stage of the life cycle, and secondarily, by income, education, and occupational status.

The results of the study indicated that consumers do have consumer problems and that these problems differ with stage in the life cycle. The

study also indicated that the attitudes and reactions of consumers to these problems differ with stages in the life cycle, and to a lesser extent with income, education, and occupational status. The final phase indicated that while consumers readily agreed with ethical principles attributed to consumers in the market place, they did not always identify with these principles when translated in terms of actual practices in the market place. Also indicated, was the fact that consumers tend to recognize a need for government regulation of market practices only in circumstances where they personally have been adversely affected, and do not recognize such a need where violations of ethical principles or malpractices are impersonal or removed from the individual.

In conclusion, a certain cynicism was apparent in the replies, which further supports the thesis that apparent consumer satisfaction in the market place is merely a surface adjustment to the status quo, and that rather than satisfaction, consumers expressed considerable dissatisfaction as manifested in their problems and in their attitudes towards such problems.