

When you
buy...
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When You Buy

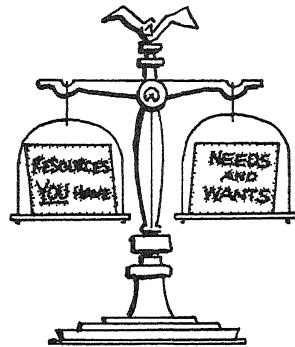
Buying is an important and involved process. It means making countless decisions about what to buy, where to buy, when to buy. Each day adds something new to the list of goods and services competing for your dollars.

Food retailing stores carry more than 6,000 items. About 24 new food products are offered each day. Even though, as government research shows, nine out of ten fail, enough succeed that the number of items such stores carry is expected to increase to 7,000 in this decade.

One of the country's largest manufacturers of household products reports that 70 percent of its volume is from products developed since World War II.

Today's consumer may buy from the 385,000 brand names competing for shelf and floor space in retail stores. How can she make the right choice? Each dollar could be spent for any one of a number of items.

YOU are a Money Manager



Management is using what you have to get what you want. Money is one of your most important resources (what you have). It is used to get goods and services that meet needs and give satisfaction to you and your family. How your money is used is affected by use of your other resources such as energy, time, knowledge, skill, interest, shopping facilities, and transportation. Such resources can help money buy more satisfaction than it could buy alone.

Management is primarily the mental part of solving a problem. The following steps are one concept of the management process.

1. Identify the problem.
2. Set your goals — what do you want?
3. Study your situation including your resources.

4. Seek alternative ways of solving the problem, recognizing what is given up as well as what is received in each selection. You may need to get additional information.
5. Decide on the solution.
6. Carry out the plan.
7. Evaluate the results.

The fact that you are a manager (good, bad, indifferent) when you buy can be illustrated by applying the above steps to a simple buying situation.

The family clothing plan may reveal that a new dress for Jane is a high priority item. The problem then gets identified as how to get a new dress.

To do a good job of buying a new dress, you need to clarify your goal — what you want and what you give up if you get Jane a dress. Your expectations for the dress should be clearly defined in terms of where and how often she expects to wear it, how you will care for and clean it, the color, type of material, etc. that would be suitable for the purpose of the new dress.

A study of your situation and resources should help answer such questions about the dress as:

- ✓ How much money can we spend for its use and care?
- ✓ What accessories does she have to wear with it?
- ✓ How well can we care for and clean different fabrics?
- ✓ Where are we likely to find this kind of dress?
- ✓ Would making the dress be more satisfactory?

Such study may reveal several possible ways to get the new dress. More information may be needed before you choose which way. Magazines, newspaper advertisements, catalogues, salespersons, labels, and tags may give that information.

You decide on the solution to your problem when you choose the dress or material and findings for making it.

The actual buying of the dress or buying material and making the dress is carrying out the plan. It is carried out when the dress is ready to wear.

The final step of evaluation is done as she wears and cares for the dress. As long as she has it, you can evaluate how well you did your buying. You may answer such questions: Was the money well spent? Would I make the same choice if I were to do it over? What did I learn that I can use the next time I buy a dress?

If the purchase solved the problem of getting a new dress in a highly satisfactory way, you managed well. If it was not a satisfactory solution, some step in the process of buying needs to be improved. In other words — how well you managed is determined

by the satisfaction you received in relation to money, time, and effort you spent.

How consciously you go through this mental process depends somewhat on the importance of the purchase and how often a similar purchase is made.

A satisfactory plan for buying milk for the day can be carried out indefinitely without further concern or decision until something in the situation changes. On the other hand, it's desirable to consciously plan and investigate purchase of equipment, cars, insurance policies, etc. It may be hard to live with a poor choice in anything that is expected to last a long time.

The overall management of family money includes the carrying out of many buying decisions that seem to be independent decisions but actually are related. Each decision affects other decisions. Using resources for one purpose affects those available for other purposes.

PLAN Your Purchase



Do Armchair Shopping

Good buying begins at home. Many decisions can and should be made before the shopping trip begins.

An over-all spending plan for the family provides a general guide for buying. Actual purchasing should fit into that plan. Wise buyers plan their purchases to meet needs and wants. They put first things first and then add the "extras."

The needs of families vary. Be aware of how your needs differ from those of friends, neighbors, and relatives.

- Buy with a clear idea of how the item will be used.
- Decide on what to buy to meet a need.
- Be as specific as possible about desired size, color, quantity, quality, etc.
- Establish limits to keep from being swayed outside your price and budget range. Know what quality can be expected in your price range. A final decision often cannot be made until you see what the market has to offer. It may be impossible to find something to do all you would like.

- Know and stick to your basic requirements and compromise on the less important points and on less important purchases.
- To go shopping without rather definite plans is likely to result in loss of the shopper's and salesperson's time and in loss of money due to poor purchases made on impulse and/or under the influence of smooth salesmanship.

However, plans for buying like many other plans should be flexible. Two or more items might satisfy a need or want equally well. The final choice should make best use of money, time, and effort.

Fit Purchase in Long-Time Plan

Few people can or would want to buy a complete new wardrobe or all new furnishings for a home at one time. A basic plan makes it possible to purchase additions or replacements to fit the needs and wants as money becomes available.

Nutritionists have given us a basic plan for selection of food that offers the best chance of providing the long time goal of good health. However, no two families need to have the same diet. The basic plan can be carried out in so many different ways that consumers still have many choices to make. For example, nutritionists tell us we need a certain amount of food from dairy products, but it is still our choice as to how much we will buy as fresh whole milk, skim milk, dry-non-fat milk solids, evaporated milk, cheese, ice cream, butter, or other dairy products.

Wherever a single purchase needs to be fitted into a whole program, you must think of two basic factors in your situation.

1. Where are you now? — an inventory.
2. Where do you want to go? — long time goals.

Prepare a Shopping List

A shopping list is evidence you have planned. The one you carry on a specific trip may well be the result of notes and other lists that you made as you were reminded by supplies running low, advertisements of what seemed to be good buys of items to meet some family needs, items left over from the last shopping trip, and items that have waited until the trip could include a particular store or the necessary money was available.

A time, energy, and money saving list includes as much detail as you can determine at home. Color, size, quantity, brand, and advertised price, are some features remembered only vaguely if they are not listed. It may take less time at home than on the trip to determine the order in which items should be shopped. Organizing the list as to location of different stores, floors, and counters will eliminate backtracking, assure getting all items needed, and help limit impulse buying. The more limited the family budget, the more specific the list needs to be. The ideal list for many shoppers is

specific enough to control spending and yet flexible enough to allow for unexpected opportunities.

Curb Impulse Buying

A large manufacturing company has made a 19 year survey of supermarket shoppers. In a recent survey, 5,338 shoppers in 250 supermarkets were asked what they planned to buy. The answers revealed that: 1. Only three of 10 purchases are firmly decided before the shopper gets to the store; 2. The other seven are the result of vague planning or spur-of-the-moment decisions; 3. Almost half the purchases are completely on impulse; and 4. Two of three shoppers never prepare even a partial list. Each time they have taken a similar survey, the rate of impulse buying has risen.

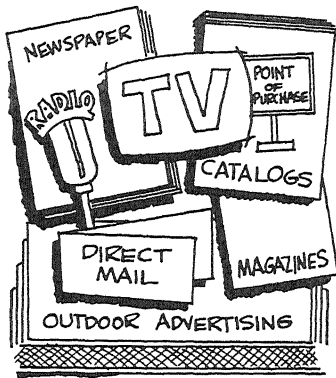
Many a good family budget is wrecked when husband or wife gives way to impulse buying. Indecision and a lack of facts causes one to be swayed by emotions. It's been said that impulse manages everything badly.

It is no accident that you buy differently than you plan. All the psychology that manufacturers, advertisers, and merchandisers know is used to encourage the impulse reaction.

Color, design, package, convenience features are carefully studied. It's a fact that people tend to put comfort, luxury, and ease before self-denial and thrift. Something that flatters personal ego urges the impulse to buy without regard for ability to pay. We are subconsciously influenced to buy with slogans that become more familiar than the name of the product.

How can you curb this budget wrecker? Here are suggestions:

1. Shop with a list.
2. Have a budget and stick with it.
3. Have mother shop for food. Studies show women do less impulse buying at grocery stores than men do.
4. Leave the children home. It takes a strong will to not give in to their pleas for items which they have seen in television advertising.
5. Ask yourself such questions as "Where will I store it?" "When will I use it?"
6. Make it a rule to "sleep on" a major purchase. The offer should be just as good next day.
7. Be aware of your emotional state when you shop. When you are feeling low, you are more subject to persuasion. Low periods may follow a crisis or period of stress. Impulse buying may be compensation for loneliness just as over-eating is for some people.
8. Don't shop when you are too tired or in a hurry.
9. Include in your budget the amount that can be used "just for fun" or on impulse buying.



STUDY the Advertising

Advertising has two functions — to inform and to persuade. Information on which you can base a sound decision makes advertising useful to a consumer. Reliable factual advertising helps us build up a fund of knowledge about goods and services.

Advertising takes many forms — brand names, labels, magazine articles, pictures and descriptions in magazines, in newspapers, and on television, radio commercials, window displays are just a few. We depend on advertising to let us know what is available, where, and at what price. We depend on it to give a basis for judging quality in relation to price.

From the seller's point of view, advertising's aim is to seek out customers and persuade them to buy. He tries to create a favorable impression so that we will want to buy his product — in fact, buy his product rather than his competitor's. This competition among producers and sellers who advertise makes it possible for us to buy at prices that are lower than if no competition existed.

No one advertisement will give all the information needed about a product. National magazine advertising calls attention to the product, who makes it, what it is for, and may tell something about what it ought to cost. Local newspaper advertising more often tells where the product can be found, when it will be on sale, and the price. Radio and television advertising is usually reminder advertising of a repetitive nature. Window displays, coupons, premiums encourage buying and tell of product availability.

You will find it easier to get information if you keep in mind the specific facts you wish to learn.

- Look for facts about style, color, size, weight, shape, quantity, rather than indefinite statements of quality.
- Look for facts about consumption, depreciation, repair costs, and price rather than a vague claim of economy.
- Look for facts about uses for which the article is designed rather than uses in general.

Try to decide the intent of the advertisement. Analyze each statement to see how much you can depend on it. Selling is the advertiser's job. He can do it by the facts he gives. These facts are

carefully selected and likely designed to impress more than to inform. The illustrations used and the associations built up in the reader's or audience's mind are equally well chosen. He often can create the desired impression more easily by implication than by direct statement.

To persuade, advertisements must first get the attention of the prospective customer. Once they have it, they can play on the emotions — the hopes and fears of people. Hopes for enjoyment, social approval especially of the opposite sex, health, protection of loved ones are targets for the advertiser. Likewise fear of accident or pain, of social failure (that we won't make good or people won't like us) and of financial failure are played upon.

Pleasant or unpleasant associations are made in the minds of prospective customers by word, picture, color, etc. Getting our money's worth or more is promised in statements or implications of quality, value, and economy.

A third ingredient in a persuasive advertisement is something to make us act — to do it now. It is strongly suggested that a delay will mean loss or being subjected to those worries this product or service could prevent.

As a buyer, you can discount superlatives and be on guard against "puffing." "Puffing" has legal standing. The courts have ruled that truth in advertising means it can contain no openly false statements. Exaggeration is not falsehood.

Comparative prices are widely used by both reliable and not so reliable dealers. Honest comparative prices are fine. However, be suspicious of ads which say "Price \$30, worth \$40." The words "price" and "worth" may tell you nothing.

The words most abused in comparative prices are: "selling elsewhere for," "should sell for," "certified value," "list price," "made to sell for," "savings up to," "now only," "savings up to one half," "below cost." All these imply bargains but tell nothing.

You can usually count on ads that say "our regular price," "our former price" or "our usual price" along with a sale price.

Some advertisers put out bait for the unaware customer. Bait advertising is the practice of offering at a spectacularly low price a product or service the seller is determined not to sell if he can avoid it. It is designed to get the buyer on the hook — so they can sell him a more costly item.

The Federal Trade Commission says you can be certain an ad is a bait if —

1. The product is offered at a startlingly low price.
2. The salesman is reluctant to show the advertised product.
3. The salesman disparages the advertised item and tries to sell you a more expensive one.
4. The salesman tells you he has only a floor sample and new stock at that price will be available only after a delay.

5. You are told the item was sold out in a very short period of time and you are asked to look to something better.

Such advertising takes advantage of the human inclination to want a bargain. At the same time, persons who need bargains to make the income go around are taken in.

To Use Advertising Wisely

1. Take it for what it is — an aid to good buying — but not the whole story.
2. Develop immunity to appeals that are not to your best interest.
3. Learn to read for information. Get behind the attention getters.
4. Help improve future advertising. When you respond to an ad, you vote for another one like it.

COMPARE Price and Quality



Good buys are those that give the desired satisfaction at a fair price. Knowing the quality of goods that will give satisfaction is the real challenge. A great variety of goods and services are available in different qualities and different prices. As buyers, we need as much information as possible about identifying quality and knowing what can be expected from different qualities.

Two extreme approaches may be made to buying. One is to determine the amount of money available to buy a product or service and then find the best possible item for that amount. This may mean making an exhaustive study of the market which may be expensive in terms of time and energy. The other approach is to have specifications as to quality that will give needed performance or satisfaction regardless of price. In between are many combinations of price and quality from which most people make their choices.

Get Information

Sources of information are numerous. Each source has its particular function. We get information from those that have given satisfaction previously.

Advertising

1. Helps us know what is available.
2. Gives some information about performance and price.
3. Gives uses of products.

Labels

1. Descriptive labels give names of products, content, size, care, use, manufacturer or distributor, etc.
2. Brand name labels carry a mental picture of past performance.
3. Grade labels give indication of quality, meeting of specifications, compliance with standards, etc. To interpret these labels, buyers need to learn the meaning of grades as they relate to various products.

Labels may be vague and lacking in detail. It is important to read them for what is unsaid as well as what is said. Without labels it is difficult to compare quality and price.

Guarantees

Guarantees need to be carefully read if they are used in a buying decision. What is guaranteed? — the whole item? a particular part? the workmanship? Under what circumstances and how long is the guarantee in force?

Government Bulletins

These bulletins usually point out factors to consider in selecting products or services. They are reminders of questions you may not have asked yourself or sales persons. Government bulletins never make statements of recommendation by brand name.

Magazines and Books

Buyers may become acquainted with new products through magazine advertisements and feature articles. Some magazines do test products to guarantee that they are as advertised in their magazines. They do not publish their standards. Advertisements that are carried indicate approval of the company's products — but not that they are better buys than other similar products.

Consumer Information Services

There are consumer supported organizations that test and report analysis of products giving ratings or recommendations. In some instances, they use results and information from other reliable sources. Two of these are "Consumers Research" and "Consumers Report." Reasons for the classification may be given. Best buys may be indicated as a result of both quality and price considerations.

Information of this kind has its limits, too. Testing is done on a limited number of brands of any type of product and a limited number of any one brand. The reports, therefore, are based on

the finding of a relatively small portion of the potential number from which shoppers from all over the country may choose.

Sale Buying

Knowing quality and being able to compare prices are especially valuable if you do sale buying. According to the dictionary, a sale is the selling off of surplus, shopworn or other marked down goods at bargain prices. Bargains may be had if the consumer can pick them out. Sales are usually for clearance, stimulation or special events. Following are some types with which we should be familiar.

Private sales may be held several days prior to a public announcement of the sales. Charge account and other preferred customers have advance notice — usually by mail. They have a chance at the best buys.

Seasonal sales may be end-of-season, end-of-month, pre-inventory or post-inventory. They usually are scheduled just before new merchandise arrives. Bargains are often offered on appliances, furniture, furs, clothes, linens, rugs, and household accessories. Examples are:

January — storewide and white goods sales

February and August — furniture sales

April — post Easter sales on clothing

July — spring and summer clothing sales

Special purchase sales are those for which merchants get goods at cut prices from manufacturers or wholesalers and pass on the savings. The products may or may not be of good quality. Some manufacturers make a product of lesser quality for special promotion sales or use these sales as an opportunity to unload seconds.

Anniversary sales are storewide promotions held particularly by large department stores. Each department may have part or all of its items marked down.

Closing-out sales are intended to clean out stocks of certain items being replaced by newer models or styles.

One-day sales are stimulation sales. These are designed to get many customers in the store. They are an opportunity to move some unsalable merchandise along with some really good bargains.

Penny or one-cent sales offer two identical items for the regular price of one plus a penny. Be sure what the regular price really is.

Dollar days can offer good buys. It is well to know if the dollar item cost more than a dollar the day before.

These sales offer opportunities and raise questions. Is it really the store's regular merchandise that is being offered at regular prices? Are the prices really lower than usual for goods of that quality? Is the merchant merely unloading some goods with which he "got stuck?" Or have lower quality goods been bought especially for the sale? It takes a discerning buyer to know a real bargain — and he may have to make his judgments largely in terms of the seller's character.

Keep in mind that the privilege of returning goods often does not extend to sale goods which are sold "as is." Defects, soil, etc. may make no difference to you but it is well to know about them before you buy. So-called bargains can be very unpleasant experiences if you over-buy or if you buy something you don't really care for because the price is low.

Sales may fit into the family spending plan. Often needs can be anticipated and their purchase planned to come at the same time sales and bargains are likely to be offered. With this kind of planning, it may be possible to do pre-sale shopping to be informed about regular price, quality, and condition of items you hope to buy on sale.

To get a bargain, you must be able to buy an item that meets a real need at a price lower than can generally be expected.

Trading Stamps

Trading stamps at the present time are a part of merchandising. The merchant who gives them pays \$2 to \$3 per 1,000 for them. He expects to get the cost back through increased business or raised prices. If prices are higher where stamps are issued, you pay for them. If prices are no higher than for the same merchandise where stamps are not given, you get something for nothing.

Check and compare the general price level of stores using and those not using stamps. Decide for yourself whether or not to buy where trading stamps are issued and whether or not to save them.

The good buyer avoids buying unnecessarily to fill a stamp book. If you find that filling a stamp book encourages you to buy, be careful. You may be tempted to buy things you don't need.

If you do save stamps, use them as you would cash. They are worth more on some items than on others. It's valuable to know the cash cost of items for which you are considering redeeming stamps.

What Price to Pay

Prices for the same items may vary greatly from store to store. This has changed during the last few years. Discount houses have been a contributing factor. They cut standard prices. They depend on buying and selling in large volumes and giving a minimum of service. They may be located in a low rent area. They usually have jewelry and household goods which ordinarily have a rather high mark up margin.

Fair trade prices—those set by the manufacturer which the dealer had to agree to charge in order to stock the item—are not used as widely as a few years ago. Some manufacturers, notably appliance manufacturers, no longer fair trade their goods. Dealers therefore tend to set their own prices. Competition tends to cause prices to be cut. The more stores that carry an item, the more different prices are likely to be found.

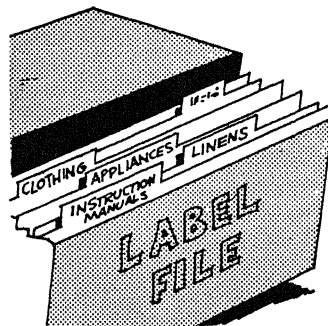
Some list prices are phony. Items may be ticketed with a price that is marked out and a much lower price put on the ticket. The original price on the ticket may be referred to as “suggested price,” “value,” “made to sell for” or some other such indefinite phrase. To protect yourself from phony prices —

1. Buy brand names with which you are familiar if you are not sure of your ability to judge quality. Unknown brands may be good buys. Try them first in less expensive items.
2. Compare quality on the basis of the last price rather than the original price.
3. Check and double check at discount houses. At some, the selling prices have been found to be higher than the manufacturer’s suggested price inside the container.
4. Be sure the prices being compared are for the same thing. For example, do the prices quoted include delivery and installation in each case?

If two or more stores offer comparable products and services at different prices, it seems logical to buy from the one with the lowest price. The attitude that a penny saved is of no consequence is expressed in the comment “What are you going to do with the two pennies you saved on that quart of milk?” The two pennies don’t make much difference as such but are about a ten percent saving. On a year’s supply of milk that might be quite a bit. A family using a gallon of milk each day could have about \$30 during the year for other purchases. Those dollars are just as good as the \$30 you might get “knocked off” in a “good deal” on a \$320 TV set.

A five or 10 percent lower price on a large number of items would likewise be a real savings. A penny saved may or may not be a penny earned, but many people who have money to invest would be glad to earn 10 percent or even five percent on their investments.

USE The Labels



You may have heard about the woman who wanted to surprise her husband for dinner. She took all the labels off the cans and moved them about before she selected the ones to use. Or the boy at camp who sneaked an unlabeled can from the storeroom and found it contained tar — not food.

Buying without reading the labels can bring some equally big surprises. To avoid this, ask for and read informative labels.

Informative labels give facts useful to the buyer — facts that help in choosing the item — content, size, care needed, suggested use, etc.; facts that can help you get the item that fits the use; facts that can save you money that would be wasted in poor selections. Ask for and read the labels when you go shopping.

Keep labels for items that call for special care such as laundering or dry cleaning clothes. Mark the label carefully so there is no doubt as to which item it belongs. A system similar to the recipe card file may be used to keep the label where you can find it when you need it.

Labels of items that prove highly satisfactory or unsatisfactory are useful in making a shopping list when a repeat purchase is needed. Otherwise brand names, size, style, number, etc. may be forgotten or lost.

Labels also indicate whether products meet standards. Food products in particular have grade standards. Some products carry a seal to indicate they meet standards of a manufacturers' association. Another example is the label on electrical cords, appliances, and some other items that meet minimum safety requirements which bear a label indicating approval by the Underwriters Laboratory.

Of course, there are tags that give little information. Informative labels for fabrics and garments should tell:

What the product is made of.

How it is made.

How it will perform.

How it should be used and cared for.

The name of the manufacturer or distributor.

Look for informative labels. When you read and compare tags and labels, you will find that reliable ones —

- Enable you to judge price in terms of quality.
- Help you choose articles best suited to your needs.
- Help you in buying new products.
- Help you compare products.
- Help you judge hidden characteristics.
- Tell you how to use and care for the product.



SHOP

The problem is to make choices which will bring the greatest satisfaction over the longest period of time. It involves choosing what to buy, when to buy, where to buy, how much to buy, and how much to pay.

What to buy can be determined only by the person or persons who will use the goods or services. Knowledge of products is essential. Products which are frequently purchased require constant study. Those items which are purchased infrequently should be studied when the time comes. If you always buy a new car about every five years, there is no need to find out about all the new cars each year. Study them the year you expect to make the purchase.

Many people would like someone to tell them which make of appliance or furniture to buy, which rug or what color of paint to get. No one can or should do that. The person most likely to tell you is the person who has something to sell you.

Competition and industry standards have forced reliable manufacturers to make good products. There may be a number of items (for example, washers) that will give equally satisfactory performance. The final decision then becomes a matter of personal preference, special features, price, and service.

New and improved products come to the market as a result of research. Such research is going on in all kinds of business. If a new or improved product will fill a need more effectively or at less cost, you should not overlook it. At the same time, it isn't wise to pass up a known product that has been satisfactory just to have something new. The happy medium perhaps was best expressed by Pope in his "Essay on Criticism."

"In words as fashions the same rule will hold,
Alike fantastic if too new or old;
Be not the first by whom the new are tried,
Nor yet the last to lay the old aside."

When to buy may refer to hour of the day, day of the week, in or out of season, on or not on sale, or the mood or physical condition of the shopper.

The hour of the day and day of the week are increasingly less important. The extended shopping hours of recent years reduces the need for Saturday shopping trips. Evening shopping is available to many people who formerly had to grab a minute to make a purchase in haste.

Friday and Saturday are still the days when the greatest volume of food buying is done. Store advertisements including specials are usually in effect for a week. Shopping on days other than Friday and Saturday may be a better use of time and energy.

Better service can be expected from sales persons during the less rushed hours.

With modern refrigeration, food shopping should be necessary no more often than once or twice a week. Additional trips may be an expensive use of time and transportation.

Buying in or out of season is an individual choice and may vary with commodities. The fresh food season has been extended greatly with modern transportation, storage, and processing facilities. But, foods out of season — such as fresh watermelon for Christmas — would be expensive.

Items such as Christmas gifts may be more expensive the month before Christmas than at any other time. The person with a Christmas list that can be filled throughout the year will usually be able to save money. The person who feels that the hustle and hurry of shopping is a necessary part of Christmas might not get satisfaction from Christmas shopping throughout the year.

Shopping when one is not well physically, when too tired or when feeling lonely or neglected may lead to poor choices, impulse buying or over-buying.

Shopping under the pressure of time may result in hard-to-live-with choices. Not always can needed purchases be anticipated. Without planning, however, one may find himself always making last minute purchases. This can be an expensive habit.

Where to buy varies with families and their resources. We usually think of time, energy, and money as our chief resources during the actual buying. If money is the most limited resource, you will choose the store giving the most of what you want for the money, regardless of the time and effort it takes to shop there. If energy is more limited than money, your best shopping source is one giving many services, such as telephone orders, delivery, and pick-up service.

For day-to-day purchases, you are likely to get the best prices where you pick out the goods, pay for them, and carry them home. By watching for sales, you may be able to do better under other circumstances.

Choose a store or source of service that offers products in keeping with your ability to pay. A specialty shop is not the best place for a middle or low income family to do much buying. By

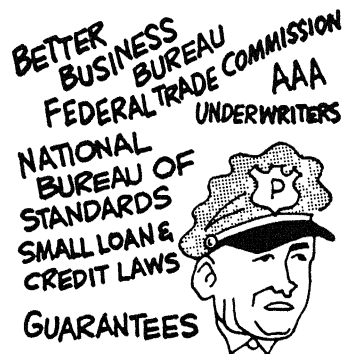
specialty shops we mean those which handle only high fashion clothes, expensive jewelry, gourmet foods, etc.

Make a list of less frequently purchased items (include details such as sizes and samples) in preparation for a shopping trip to stores that may offer more choices than those where you shop regularly. The extra transportation, parking, and meals, too prohibitive for one or two items, may be justified for a large number of purchases.

Two of the most expensive methods of merchandising is that of door-to-door selling and special parties. If you are familiar with the product and it is of good quality, you may not object to the extra cost. However, these methods are used by many who do high pressure selling and who will employ all kinds of schemes to make a sale. Is the item offered one you would buy some place else or are you being pushed into something you don't need? If good will or pleasure is a part of the value, recognize it for what it is.

Comparative shopping is a "must." Compare not only price and quality but amounts, service, special features, etc. Quantity buying may or may not be a good practice. If the per pound cost of a small container of detergent is the same as the largest one, the only saving in buying the large one is in the time and effort of more frequent purchasing. Buying in the larger quantity, however, might create problems in handling, storage, etc.

You Have PROTECTION



We can thank others who have been and are now concerned that consumers get what they think they pay for. Through their efforts we have laws, regulations, and standards protecting us from being taken in by careless, dishonest or scheming manufacturers and merchants.

Knowing about some protective agencies or organizations and their work gives us guides for buying, helps us assume responsibility as consumers, and helps us know where to make justifiable complaints.

It isn't practical to include here all the organizations and what their labels mean. Look for evidence that products meet the criteria you have for them. When you find an unfamiliar label, ask sales people, the library, or other information sources about it. The following are examples of some protective agencies.

Better Business Bureaus are voluntary non-profit associations established and financed by business men to fight fraud and deception in advertising and selling. It advocates fair dealing with consumers and better relations between business and consumers by —

1. Educational work which prevents deception in advertising.
2. Acting on complaints about alleged misleading advertising.
3. Warning the public against frauds.
4. Reporting to businesses on fake promotions.
5. Protecting charity drives from exploitation.
6. Educating consumers on everyday shopping problems.

Consumers are urged to call the local Bureau to report complaints, make inquiry about businesses, and to get information before buying or investing. The Bureau investigates complaints and, if the facts justify it, turn them over to the proper government agency for prosecution.

The **Federal Trade Commission** was set up to protect the business man's competitors against unfair trade practices. Advertising is the chief medium through which businesses can compete. Therefore, the Federal Trade Commission is greatly concerned with advertising. It tries to prevent false or misleading advertising. Leaving out facts is considered misleading as are misleading statements themselves. Curbing advertising that is unfair to businesses directly affects you as a consumer.

All advertisements are checked periodically. A consumer may write a complaint to the F.T.C. Businesses may make a complaint. The F.T.C. then investigates and in many cases is able to get a correction made. If it is not made, the F.T.C. may issue a "Cease and Desist" order which means the advertising must stop until the case is settled in court.

The Federal Trade Commission is authorized to prevent deceptive pricing. It has guides that are to be used in preparing and checking advertisements that compare prices.

The F.T.C. is also responsible for enforcing the laws concerning labeling that must list fiber content of clothing and household fabrics. The consumer is also protected by laws requiring that certain products be non-flammable.

The Food, Drug & Cosmetics law prohibits the sale of foods, drugs, cosmetics, and health appliances that may be harmful or unfit for human consumption. Manufacturers are now required to provide evidence the product is safe and fit for human consumption. Formerly, the government through the Food and Drug Administration had to prove the product was not safe.

Checking on all products is a big expensive job, and products do get by that do not meet required standards. You can buy with more confidence, however, than if we did not have the law.

The **National Bureau of Standards** helps draw up specifications for products. The government buys by these specifications. It helps set up commercial standards for various trade groups. We can buy items that fit. For example, electrical wall outlets are made of one size and so are outlet plugs to be used in wall outlets. The Bureau encourages manufacturers to use self-identifying quality guaranteeing labels. Such labels indicate the product has met the specifications.

Some **Trade Associations**, such as the American Gas Association, American Institute of Laundering, and the American Automobile Association, set up minimum standards which must be met before their members can display an insignia of the association. Most good business men will not run the risk of not meeting the specifications.

Private Research Laboratories, such as the Underwriters Laboratory, test products to see that they meet a set of specifications. Though it may contribute to product improvement, this particular organization's seal means only that the appliance meets safety tests.

Guarantees

It is not unusual to follow all the rules in planning and shopping and yet find a product has a flaw that makes it unsuitable for your need. Manufacturers know this can happen. To insure consumer satisfaction with their products, they give guarantees or warranties. These guarantees usually are restricted to a specific time and/or for use and care given according to their instructions. Poor workmanship and defective parts are likely to show up during the guarantee period. The manufacturer is not interested in "making good" something caused by the consumer's negligence. Guarantees are for your protection, but you need to know what is guaranteed and for how long.

The **Small Loans and Credit** laws in Ohio protect the buyer who uses credit from being charged exorbitant rates.

Plan for PAYMENT



When and how you will pay the bill is a real part of the plan for any purchase. The method used varies with individuals and the item bought. Any one or all of the following plans for payment may be used by a family.

1. Cash at time of purchase.
2. Check at time of purchase.
3. Regular 30-day charge account.
4. Revolving charge account.
5. Monthly installment plan arranged with the dealer.
6. Personal loans to make cash payment.

The best payment method varies with the type of purchase, the availability of money, your attitude toward use of credit, availability of credit to you, etc. Most people take for granted that small day to day purchases will be paid by cash. Other "pay as you go" buying may be done by check or cash. Checks provide a form of receipt or payment record. Many checks for small amounts may increase the bank service charges considerably. On the other hand, carrying cash involves the risk of loss or theft. One should not carry more cash than he can afford to lose.

Not all merchants accept checks in payment. Some refuse to honor checks drawn on other than local banks. Some form of identification usually is required when payment is made by check if the purchaser is unknown by the sales person. If you plan to pay by check, be sure you have proper identification or other assurance that the check will be acceptable.

Delayed payment by use of some form of credit may be made. Reasons for using credit include convenience, having use of the product or service while it is being paid for, keeping the bank balance from getting too low, and, in some cases, greater ease of getting service on goods for which payments have not been completed.

Regular charge account and credit card buying such as that done with oil companies is convenient and reduces the amount of cash to be carried. Many people who could pay as they go defer payment for convenience.

If future earnings are needed to pay for an automobile, other durable goods or the many items that may be put on a budget charge account, this income will buy less because interest or carrying charges add to the cost. Money spent on interest and carrying charges cannot be used for anything else. We should be concerned with the cost of interest, carrying charges or whatever it is called as well as with price itself. True interest rates for personal loans, installment purchases, and revolving charge accounts are usually in the 12 to 36 percent a year range. The rate varies somewhat with the source and amounts of credit, the type of purchase, and the payment plan.

If credit is used as the method of payment, it must be controlled. It can easily lead to over-buying. Credit can be controlled by:

1. Using it only when the need justifies it.
2. Making as large a down payment as possible.
3. Making payments over the shortest possible period of time.
4. Choosing the type of credit best suited to your needs.

An understanding of the sources, cost, advantages, and disadvantages of consumer credit and the advantages and disadvantages of paying as you go will help you choose the best plan for payment for each purchase you make. It is doubtful that either always paying as you go or always using credit will be best.

Assume Your Consumer RESPONSIBILITY



Consumers need to take part of the responsibility for maintaining and improving practices that make shopping more satisfactory for all. What one consumer does may readily affect another.

Many businesses operate with the philosophy that the customer is always right. They do this to get and keep good customers.

They are generous in replacements, taking returns, and making exchanges. Some people take unfair advantage of the situation. For example, garments taken out on approval sometimes are returned with evidence they have been worn. If the merchant takes it back, he and, in turn, other customers take the loss.

Foods that are bruised and goods that are soiled, scratched or otherwise damaged are a partial or total loss which is eventually passed on to consumers. Responsible consumers treat merchandise as they would like any they buy to have been treated.

The cost per sale in business depends in part on the number of sales a clerk makes within a specified time. Use the time necessary to get information that will help you make a good purchase. But save the clerk's time by giving him as much detail as you can about what you want. Size, color, style, price range, and special features are some factors that will help the clerk know what to show you.

Your plan may indicate you need a 72 inch couch to fit the place you expect to use it and you can spend not more than \$175.00. There is no point in taking your time and the salesperson's to look at those longer than 72 inches or those that cost more than \$175.00. Of course, the salesperson may insist on showing you more expensive couches in hopes of getting you to upgrade your purchase.

Improvements in labels and in merchandise have been made. Some are due to consumer response and consumer requests.

You, too, can and do affect the merchandise available and the information available about it. The advertisements to which you respond encourage the use of more such advertisements. If people bite on bait advertisements, promoters are encouraged to use more of them. If good informative advertisements are the ones that make sales, there will be more of them.

Informative labeling can be encouraged by consumers. Ask for informative labels and tags. Then read and use them, both for care of item and as a buying guide for future purchases. If you find a particularly helpful label, do something about it. Comment to the salesperson or store manager. Write to the manufacturer telling why you found the label helpful.

In spite of all the planning, getting information, and shopping, one may make a purchase that doesn't meet expectations. Flaws can get by inspectors. The tendency may be to feel you got gypped, decide you won't go back there, and the merchant and manufacturer lose a customer. A justifiable complaint should be made. The manufacturer then knows of defects and can make corrections. The merchant who receives the complaints passes them to the manufacturer. If numerous complaints aren't corrected by the

manufacturer, the dealer may decide to find another source of supply. Have you ever asked about an item and had the salesperson reply, "We haven't had any complaints about it?" It might mean the item was good or it might mean that people are indifferent and just had not complained.

The golden rule applies to shopping as to any other day-to-day activity. Consideration of fellow shoppers is revealed in such a little thing as parking straight and between lines. Irritated shoppers are poor shoppers.