

Skills for Living

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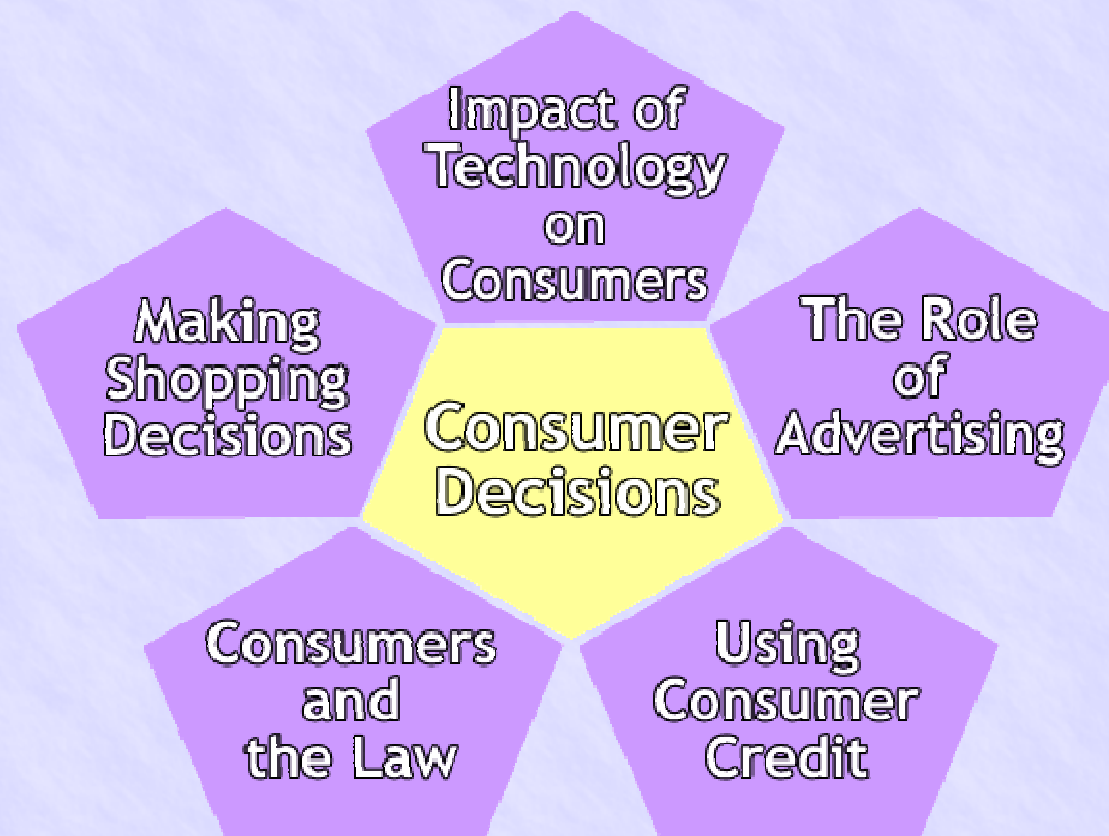


Goodheart-Willcox Co., Inc.
Tinley Park, Illinois

Chapter 19

Consumer Decisions

- In this chapter, you will learn



Topic 19-1

Making Shopping Decisions

- In this topic, you will learn how to become an informed consumer, as well as
 - ❖ **Deciding where to shop**
 - ❖ **Deciding when to buy**
 - ❖ **Deciding what to buy**

Making Shopping Decisions

Objectives for Topic 19-1

After studying this topic, you will be able to

- evaluate options available when deciding where to shop
- analyze the factors affecting consumer buying decisions
- relate comparison shopping guidelines to your shopping decisions

Topic 19-1 Terms

❖ impulse buying

❖ sale

❖ comparison shopping

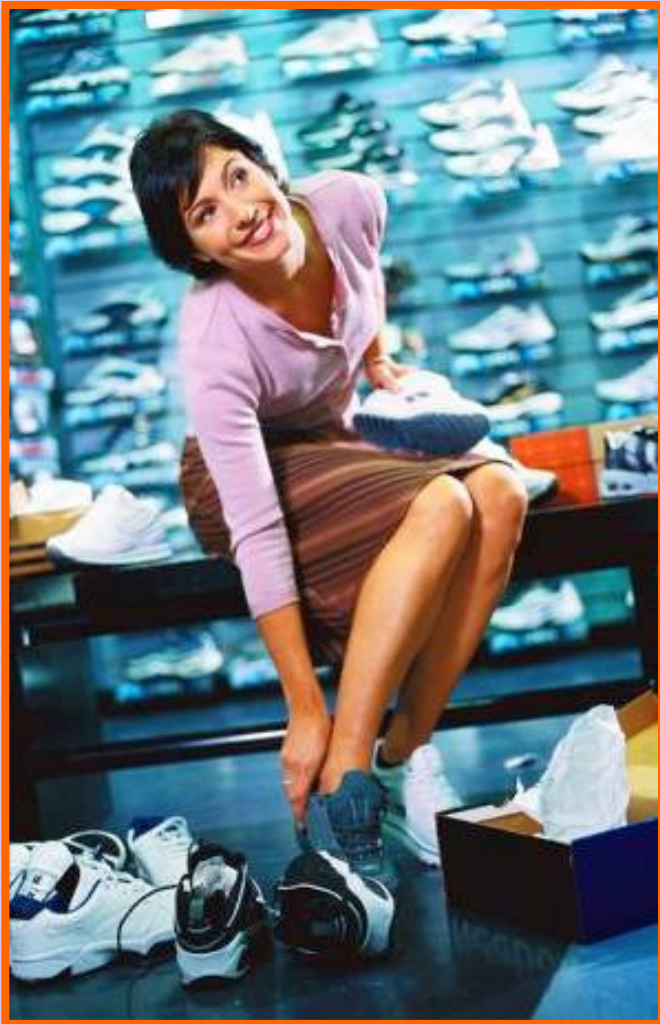
❖ warranty

Deciding Where to Shop

- Retail shopping
- In-home electronic shopping
- Catalog shopping



Retail Shopping



- Stores that sell goods and services directly to the consumer include
 - ❖ department stores
 - ❖ discount stores
 - ❖ specialty stores
 - ❖ off-price retail stores
 - ❖ factory outlet stores

In-Home Electronic Shopping

- Includes television retailing and Internet shopping
- Advantages
 - ❖ saves time
 - ❖ prices are comparable to or lower than store prices
 - ❖ generous return policies
- Disadvantages
 - ❖ no personal assistance
 - ❖ cannot check or test items
 - ❖ not contributing to local economies

Catalog Shopping

■ Advantages

- ❖ convenient
- ❖ saves time, energy, and driving expenses
- ❖ good selection
- ❖ price savings

■ Disadvantages

- ❖ cannot see the item before buying it
- ❖ cannot get the item immediately
- ❖ responsible for the cost of returning the item

Other Shopping Options

- Options for new and used merchandise at greatly reduced prices include
 - ❖ thrift stores
 - ❖ garage or yard sales
 - ❖ flea markets
- *Impulse buying* is making an unplanned purchase without giving it much thought

Activity

- What are some of the factors that would influence your decision about where to shop?

	Retail	Catalog	Internet	Garage Sale
Why would I shop here?				
Why wouldn't I shop here?				

Deciding When to Buy

- Plan purchases ahead of time
- Watch for sales

Shopping at Sales



- A *sale* is a special selling of goods at reduced prices
 - ❖ preseason sales
 - ❖ end-of-season sales
 - ❖ clearance sales
 - ❖ seasonal sales

Coupons and Rebates

- *Coupons* are small discounts on products offered by a store or manufacturer
- *Rebates* are sometimes instant reductions in price offered at the time of purchase
 - ❖ More commonly, you have to purchase the item at full price
 - ❖ After you submit the proof of purchase, you will receive a rebate check in the mail

Other Factors Affecting Buying Decisions

■ Mood

- ❖ Shopping when feeling down encourages purchase of unnecessary items
- ❖ Being hungry, tired, or rushed encourages impulse buying

■ Time

- ❖ Not allowing enough time to shop, shopping late, or shopping when the store is crowded encourages impulse buying

Deciding What to Buy

- Product
- Price
- Quality
- Suitability
- Use and care
- Product warranties



Comparison Shopping

- ***Comparison shopping*** means comparing products and prices in different stores before buying
 - ❖ Consider judging quality, suitability, use and care
- A ***warranty*** is a written promise that a product will meet specified standards of performance
 - ❖ A ***full warranty*** provides broad coverage
 - ❖ A ***limited warranty*** provides less coverage

Summary for Topic 19-1

- Consumers must choose from a variety of goods and services in the marketplace every day
- Knowing where to shop, when to buy, what to buy, and how to use the decision-making process helps shoppers save money and avoid impulse buying